

Notice to Readers:

The interim consolidated financial statements (Chinese version) of our company have been reviewed by the CPA Chang, Cheng-Hsiu and CPA Liu, Yi-Ching of Deloitte Taiwan. For the convenience of reading, the statements have been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

**China General Plastics Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Three Months Ended March 31, 2026 and 2025, and
Independent Auditor's Review Report**

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§Table of Contents§

ITEM	PAGE	NOTE
I. Cover Page	1	-
II. Table of Contents	2	-
III. Independent Auditors' Review Report	3~4	-
IV. Consolidated Balance Sheets	5	-
V. Consolidated Statements of Comprehensive Income	6	-
VI. Consolidated Statements of Changes in Equity	7	-
VII. Consolidated Statements of Cash Flows	8~9	-
VIII. Notes to Consolidated Financial Statements		
1. Company History	10	1
2. Date and Procedures of Authorization of Financial Statements	10	2
3. Application of New, Amended, and Revised Standards and Interpretations	10~12	3
4. Summary of Significant Accounting Policies	13~14	4
5. Critical Accounting Judgments and Key Sources of Estimation and Uncertainty	15	5
6. Description of Important Accounting Items	15~47	6~28
7. Transactions with Related Parties	47~52	29
8. Assets Pledged as Collateral or for Security	53	30
9. Significant Contingent Liabilities and Unrecognized Commitments	53~55	31
10. Significant Losses Attributed to Critical Incidents or Disasters	56	32
11. Critical Events after the Reporting Date	-	-
12. Significant Assets and Liabilities Denominated in Foreign Currencies	56~57	33
13. Supplementary Disclosures		
(1) Information on Significant Transactions	58, 61~66	34
(2) Information on Reinvestment	58, 67	34
(3) Information on Investments in Mainland China	58~59, 68	34
14. Segment Information	59~60	35

Independent Auditors' Review Report

The Board of Directors and Shareholders
China General Plastics Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of China General Plastics Corporation and its subsidiaries (collectively referred to as the Group) as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the three months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As disclosed in Notes 12 and 13 to the consolidated financial statements, the financial statements of some non-significant subsidiaries and investments accounted for using the equity method included in the consolidated financial statements were not reviewed. As of March 31, 2026 and 2025, the combined total assets of these non-significant subsidiaries and investments accounted for using the equity method were NT\$1,129,742 thousand and NT\$1,103,485 thousand, respectively, representing both 6% of the consolidated total assets, and the combined total liabilities of these non-significant subsidiaries as of March 31, 2026 and 2025 were NT\$53,151 thousand and NT\$88,306 thousand, respectively, representing both 1% of the consolidated total liabilities; for the three months ended March 31, 2026 and 2025, the amounts of combined comprehensive income (loss) of these non-significant subsidiaries were NT\$13,000 thousand and NT\$(5,351) thousand,

respectively, representing (13)% and 2%, respectively, of the consolidated total comprehensive income; and the Group's share of profit (loss) of these investments accounted for using the equity method for the three months ended March 31, 2026 and 2025, were NT\$18,737 thousand and NT\$(10,193) thousand, respectively, representing (19)% and 4%, respectively, of the consolidated total comprehensive income. The additional disclosures of these non-significant subsidiaries and investments accounted for using the equity method were based on financial statements which were not reviewed by auditors.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and investments accounted for using the equity method as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of Financial Statements by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Deloitte & Touche, Taipei, Taiwan,
Republic of China

CPA Chang, Cheng-Hsiu

CPA Liu, Yi-Ching

Financial Supervisory Commission
Approved Document No.
Jin Guan Zheng Shen Zi No. 1120349008

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May 4, 2026

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China General Plastics Corporation and Subsidiaries
Consolidated Balance Sheets
March 31, 2026 and 2025, and December 31, 2025

Unit: NT\$ thousands

CODE	ASSETS	March 31, 2026		December 31, 2025		March 31, 2025	
		Amount	%	Amount	%	Amount	%
	Current assets						
1100	Cash and cash equivalents (Note 6)	\$ 1,203,757	7	\$ 512,420	3	\$ 1,327,003	7
1110	Financial assets at fair value through profit or loss (FVTPL) - current (Note 7)	264,311	1	396,283	2	218,097	1
1136	Financial assets at amortized cost - current (Notes 9 and 30)	375,732	2	497,386	3	1,114,580	6
1150	Notes receivable (Note 10)	76,464	-	91,172	-	120,643	1
1170	Trade receivables (Notes 10 and 29)	1,227,745	7	739,579	4	837,197	5
1200	Other receivables (Notes 10 and 29)	80,787	-	96,434	1	88,496	1
1220	Current tax assets	6,049	-	5,842	-	10,618	-
1310	Inventories (Note 11)	1,492,389	8	1,924,343	11	2,326,446	13
1410	Prepayments	132,157	1	137,510	1	119,610	1
1470	Other current assets	1,708	-	497	-	489	-
11XX	Total current assets	<u>4,861,099</u>	<u>26</u>	<u>4,401,466</u>	<u>25</u>	<u>6,163,179</u>	<u>35</u>
	Non-current assets						
1517	Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Note 8)	51,413	-	54,660	-	59,113	-
1550	Investments accounted for using the equity method (Note 13)	339,997	2	320,026	2	326,576	2
1600	Property, plant and equipment (Notes 14 and 30)	11,219,021	61	11,062,510	64	9,860,175	56
1755	Right-of-use assets (Notes 15 and 29)	88,497	1	92,869	1	108,127	-
1760	Investment properties (Note 16)	741,706	4	414,241	2	439,372	2
1840	Deferred tax assets	948,998	5	918,809	5	650,388	4
1990	Other non-current assets (Note 30)	156,505	1	162,548	1	117,969	1
15XX	Total non-current assets	<u>13,546,137</u>	<u>74</u>	<u>13,025,663</u>	<u>75</u>	<u>11,561,720</u>	<u>65</u>
1XXX	Total Assets	<u>\$ 18,407,236</u>	<u>100</u>	<u>\$ 17,427,129</u>	<u>100</u>	<u>\$ 17,724,899</u>	<u>100</u>
	LIABILITIES AND EQUITY						
	Current liabilities						
2100	Short-term borrowings (Note 17)	\$ 1,512,000	8	\$ 760,000	5	\$ 1,930,000	11
2110	Short-term notes and bills payable (Note 17)	99,890	1	-	-	299,890	2
2120	Financial liabilities at fair value through profit or loss (FVTPL) - current (Note 7)	766	-	354	-	-	-
2150	Notes payable (Note 18)	19,733	-	24,185	-	33,167	-
2170	Trade payables (Note 18)	666,598	4	512,985	3	496,562	3
2180	Trade payables to related parties (Notes 18 and 29)	30,875	-	20,471	-	32,212	-
2200	Other payables (Note 19)	671,873	4	753,434	4	729,675	4
2220	Other payables to related parties (Note 29)	31,626	-	13,453	-	7,985	-
2230	Current tax liabilities	4,718	-	6,085	-	5,695	-
2250	Current provisions (Note 20)	18,023	-	17,136	-	4,881	-
2280	Lease liabilities (Notes 15 and 29)	21,440	-	21,208	-	21,098	-
2322	Long-term borrowings due within one year or one operating cycle (Note 17)	1,171,147	6	1,688,296	10	1,570,443	9
2399	Other current liabilities (Note 23)	219,048	1	211,816	1	142,861	1
21XX	Total current liabilities	<u>4,467,737</u>	<u>24</u>	<u>4,029,423</u>	<u>23</u>	<u>5,274,469</u>	<u>30</u>
	Non-current liabilities						
2540	Long-term borrowings (Note 17)	4,867,686	27	4,214,762	24	2,454,107	14
2570	Deferred tax liabilities	604,463	3	602,856	4	602,566	3
2580	Lease liabilities (Notes 15 and 29)	72,538	-	77,673	1	92,935	1
2640	Net defined benefit liabilities	183,097	1	191,382	1	204,991	1
2670	Other non-current liabilities	74,439	1	72,691	-	58,835	-
25XX	Total non-current liabilities	<u>5,802,223</u>	<u>32</u>	<u>5,159,364</u>	<u>30</u>	<u>3,413,434</u>	<u>19</u>
2XXX	Total liabilities	<u>10,269,960</u>	<u>56</u>	<u>9,188,787</u>	<u>53</u>	<u>8,687,903</u>	<u>49</u>
	Equity attributable to owners of the Company (Note 22)						
3110	Ordinary share	5,810,505	32	5,810,505	33	5,810,505	33
3200	Capital surplus	21,024	-	21,077	-	19,968	-
	Retained earnings						
3310	Legal reserve	1,150,504	6	1,150,504	7	1,150,504	7
3320	Special reserve	408,223	2	408,223	2	408,223	2
3350	Unappropriated retained earnings	196,332	1	316,746	2	1,046,991	6
3300	Total retained earnings	<u>1,755,059</u>	<u>9</u>	<u>1,875,473</u>	<u>11</u>	<u>2,605,718</u>	<u>15</u>
3400	Other equity	52,934	-	18,876	-	40,112	-
31XX	Total equity attributable to owners of the Company	<u>7,639,522</u>	<u>41</u>	<u>7,725,931</u>	<u>44</u>	<u>8,476,303</u>	<u>48</u>
36XX	Non-controlling interests	497,754	3	512,411	3	560,693	3
3XXX	Total equity	<u>8,137,276</u>	<u>44</u>	<u>8,238,342</u>	<u>47</u>	<u>9,036,996</u>	<u>51</u>
	Total Liabilities and Equity	<u>\$ 18,407,236</u>	<u>100</u>	<u>\$ 17,427,129</u>	<u>100</u>	<u>\$ 17,724,899</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to Deloitte & Touche auditor's review report dated May 4, 2026.)

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China General Plastics Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Three Months Ended March 31, 2026 and 2025

Unit: NT\$ thousands, Except Loss per Share

CODE		For the Three Months Ended March 31, 2026		For the Three Months Ended March 31, 2025	
		Amount	%	Amount	%
4100	Net revenue (Notes 23 and 29)	\$ 2,673,905	100	\$ 2,462,129	100
5110	Cost of revenue (Notes 11, 24, and 29)	<u>2,621,262</u>	<u>98</u>	<u>2,567,654</u>	<u>104</u>
5900	Gross profit (loss)	<u>52,643</u>	<u>2</u>	<u>(105,525)</u>	<u>(4)</u>
	Operating expenses (Notes 24 and 29)				
6100	Selling and marketing expenses	158,240	6	170,920	7
6200	General and administrative expenses	61,415	2	72,269	3
6300	Research and development expenses	<u>8,538</u>	<u>-</u>	<u>8,816</u>	<u>-</u>
6000	Total operating expenses	<u>228,193</u>	<u>8</u>	<u>252,005</u>	<u>10</u>
6900	Net operating loss	<u>(175,550)</u>	<u>(6)</u>	<u>(357,530)</u>	<u>(14)</u>
	Non-operating income and expenses (Notes 13, 24 and 29)				
7100	Interest income	2,354	-	8,519	-
7010	Other income	22,900	1	28,976	1
7020	Other gains and losses	15,980	-	(3,186)	-
7510	Interest expense	(27,610)	(1)	(27,538)	(1)
7060	Share of loss of associates accounted for using the equity method	<u>(5,636)</u>	<u>-</u>	<u>(9,559)</u>	<u>-</u>
7000	Total non-operating income and expenses	<u>7,988</u>	<u>-</u>	<u>(2,788)</u>	<u>-</u>
7900	Net loss before income tax	<u>(167,562)</u>	<u>(6)</u>	<u>(360,318)</u>	<u>(14)</u>
7950	Income tax benefit (Note 25)	<u>(32,403)</u>	<u>(1)</u>	<u>(76,261)</u>	<u>(3)</u>
8200	Net loss for the period	<u>(135,159)</u>	<u>(5)</u>	<u>(284,057)</u>	<u>(11)</u>
	Other comprehensive income (loss) (Notes 22 and 25)				
	Items that will not be reclassified subsequently to profit or loss:				
8316	Unrealized losses on investments in equity instruments at FVTOCI	(3,247)	-	(97)	-
8326	Share of the other comprehensive income of associates accounted for using the equity method - unrealized gains (losses) on investments in equity instruments at FVTOCI	<u>24,745</u>	<u>1</u>	<u>(1,000)</u>	<u>-</u>
8310		<u>21,498</u>	<u>1</u>	<u>(1,097)</u>	<u>-</u>
	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	14,733	-	7,362	-
8371	Share of the other comprehensive income of associates accounted for using the equity method - exchange differences on translating the financial statements of foreign operations	862	-	470	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	<u>(2,947)</u>	<u>-</u>	<u>(1,472)</u>	<u>-</u>
8360		<u>12,648</u>	<u>-</u>	<u>6,360</u>	<u>-</u>
8300	Other comprehensive income for the period, net of income tax	<u>34,146</u>	<u>1</u>	<u>5,263</u>	<u>-</u>
8500	Total comprehensive loss for the period	<u>(\$ 101,013)</u>	<u>(4)</u>	<u>(\$ 278,794)</u>	<u>(11)</u>
	Net loss attributable to:				
8610	Owners of the Company	(\$ 120,414)	(4)	(\$ 268,496)	(10)
8620	Non-controlling interests	<u>(14,745)</u>	<u>(1)</u>	<u>(15,561)</u>	<u>(1)</u>
8600		<u>(\$ 135,159)</u>	<u>(5)</u>	<u>(\$ 284,057)</u>	<u>(11)</u>
	Total comprehensive loss attributable to:				
8710	Owners of the Company	(\$ 86,356)	(3)	(\$ 263,229)	(10)
8720	Non-controlling interests	<u>(14,657)</u>	<u>(1)</u>	<u>(15,565)</u>	<u>(1)</u>
8700		<u>(\$ 101,013)</u>	<u>(4)</u>	<u>(\$ 278,794)</u>	<u>(11)</u>
	Loss per share (Note 26)				
9750	Basic	<u>(\$ 0.21)</u>		<u>(\$ 0.46)</u>	
9850	Diluted	<u>(\$ 0.21)</u>		<u>(\$ 0.46)</u>	

The accompanying notes are an integral part of the consolidated financial statements.
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China General Plastics Corporation and Subsidiaries
Consolidated Statements of Changes in Equity
For the Three Months Ended March 31, 2026 and 2025

Unit: NT\$ thousands

Equity attributable to owners of the Company

CODE		Equity attributable to owners of the Company							Other equity				Non-controlling interests	Total equity	
		Capital surplus			Retained earnings				Exchange differences on translating the financial statements of foreign operations	Unrealized gains (losses) on financial assets at FVTOCI	Total	Total			
Ordinary share	Unpaid dividends	Others	Total	Legal reserve	Special reserve	Unappropriated retained earnings	Total								
A1	Balance at January 1, 2025	\$5,810,505	\$ 17,938	\$ 2,080	\$ 20,018	\$1,150,504	\$ 408,223	\$ 1,315,487	\$2,874,214	\$ 6,008	\$ 28,837	\$ 34,845	\$8,739,582	\$ 576,258	\$9,315,840
C17	Other changes in capital surplus	-	(50)	-	(50)	-	-	-	-	-	-	(50)	-	(50)	
D1	Net loss for the three months ended March 31, 2025	-	-	-	-	-	-	(268,496)	(268,496)	-	-	-	(268,496)	(15,561)	(284,057)
D3	Other comprehensive income (loss) for the three months ended March 31, 2025, net of income tax	-	-	-	-	-	-	-	-	6,360	(1,093)	5,267	5,267	(4)	5,263
D5	Total comprehensive income (loss) for the three months ended March 31, 2025	-	-	-	-	-	-	(268,496)	(268,496)	6,360	(1,093)	5,267	(263,229)	(15,565)	(278,794)
Z1	Balance at March 31, 2025	\$5,810,505	\$ 17,888	\$ 2,080	\$ 19,968	\$1,150,504	\$ 408,223	\$ 1,046,991	\$2,605,718	\$ 12,368	\$ 27,744	\$ 40,112	\$8,476,303	\$ 560,693	\$9,036,996
A1	Balance at January 1, 2026	\$5,810,505	\$ 18,642	\$ 2,435	\$ 21,077	\$1,150,504	\$ 408,223	\$ 316,746	\$1,875,473	(\$ 6,413)	\$ 25,289	\$ 18,876	\$7,725,931	\$ 512,411	\$8,238,342
C17	Other changes in capital surplus	-	(53)	-	(53)	-	-	-	-	-	-	(53)	-	(53)	
D1	Net loss for the three months ended March 31, 2026	-	-	-	-	-	-	(120,414)	(120,414)	-	-	-	(120,414)	(14,745)	(135,159)
D3	Other comprehensive income (loss) for the three months ended March 31, 2026, net of income tax	-	-	-	-	-	-	-	-	12,648	21,410	34,058	34,058	88	34,146
D5	Total comprehensive income (loss) for the three months ended March 31, 2026	-	-	-	-	-	-	(120,414)	(120,414)	12,648	21,410	34,058	(86,356)	(14,657)	(101,013)
Z1	Balance at March 31, 2026	\$5,810,505	\$ 18,589	\$ 2,435	\$ 21,024	\$1,150,504	\$ 408,223	\$ 196,332	\$1,755,059	\$ 6,235	\$ 46,699	\$ 52,934	\$7,639,522	\$ 497,754	\$8,137,276

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China General Plastics Corporation and Subsidiaries
Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2026 and 2025

Unit: NT\$ thousands

<u>CODE</u>		<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
	Cash flows from operating activities		
A10000	Net loss before income tax	(\$ 167,562)	(\$ 360,318)
A20010	Adjustments for:		
A20100	Depreciation expense	202,344	203,556
A20200	Amortization expense	5,149	5,603
A20400	Net gains on fair value change on financial instruments at FVTPL	(816)	(4,928)
A20900	Interest expense	27,610	27,538
A21200	Interest income	(2,354)	(8,519)
A22300	Share of loss of associates accounted for using the equity method	5,636	9,559
A22500	(Gain) loss on disposal of property, plant and equipment	(394)	1,022
A23700	(Reversal) provision of write-downs of inventories and obsolescence losses	(114,533)	52,077
A30000	Net changes in operating assets and liabilities		
A31115	Financial instruments at FVTPL	133,200	395,340
A31130	Notes receivable	14,708	(1,961)
A31150	Trade receivables (including related parties)	(486,429)	(73,435)
A31180	Other receivables (including related parties)	14,603	(17,557)
A31200	Inventories	550,406	146,581
A31230	Prepayments	5,353	14,295
A31240	Other current assets	(1,143)	1,650
A32130	Notes payable	(4,452)	(3,392)
A32150	Trade payable (including related parties)	163,951	(395,961)
A32180	Other payables (including related parties)	8,404	(39,536)
A32200	Provisions	887	4,881
A32230	Other current liabilities	7,232	(21,726)
A32240	Net defined benefit liabilities	(9,269)	(14,304)
A33000	Cash generated from (used in) operations	352,531	(79,535)
A33100	Interest received	3,526	7,465
A33300	Interest paid	(24,584)	(24,825)
A33500	Income tax (paid) refunded	(700)	13,079
AAAA	Net cash generated from (used in) operating activities	<u>330,773</u>	<u>(83,816)</u>

(Continued)

<u>CODE</u>		<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
	Cash flows from investing activities		
B00030	Proceed from capital reduction of financial assets at FVTOCI	\$ -	\$ 1,196
B00040	Acquisition of financial assets at amortized cost	(25,670)	(654,112)
B00050	Proceeds from disposal of financial assets at amortized cost	148,747	483,607
B02700	Acquisition of property, plant and equipment	(746,377)	(276,174)
B02800	Proceeds from disposal of property, plant and equipment	746	193
B03700	Increase in refundable deposits	(378)	(34,664)
B03800	Decrease in refundable deposits	2,365	-
B04500	Acquisition of intangible assets	-	(103)
BBBB	Net cash used in investing activities	<u>(620,567)</u>	<u>(480,057)</u>
	Cash flows from financing activities		
C00100	Increase in short-term borrowings	752,000	650,000
C00500	Increase in short-term notes and bills payable	100,000	-
C01600	Proceeds from long-term borrowings	810,256	-
C01700	Repayments of long-term borrowings	(677,135)	(269,380)
C03000	Increase in guarantee deposits received	144	181
C03100	Decrease in guarantee deposits received	(174)	(1,708)
C04020	Repayment of the principal portion of lease liabilities	(5,550)	(5,411)
C04200	Decrease in other current liabilities	-	(6,239)
C04300	Increase in other non-current liabilities	1,621	43
C04500	Dividends paid	(128)	(65)
C05800	Cash dividends paid to non-controlling interests	-	(3)
CCCC	Net cash generated from financing activities	<u>981,034</u>	<u>367,418</u>
DDDD	Effects of exchange rate changes on the balance of cash held in foreign currencies	<u>97</u>	<u>(454)</u>
EEEE	Net increase (decrease) in cash and cash equivalents of the period	691,337	(196,909)
E00100	Cash and cash equivalents at the beginning of the period	<u>512,420</u>	<u>1,523,912</u>
E00200	Cash and cash equivalents at the end of the period	<u>\$ 1,203,757</u>	<u>\$ 1,327,003</u>

(Concluded)

The accompanying notes are an integral part of the consolidated financial statements.

(Please refer to Deloitte & Touche auditors' review report dated May 4, 2026.)

Notice to Readers:

The interim consolidated financial statements (Chinese version) of our company have been reviewed by the CPA Chang, Cheng-Hsiu and CPA Liu, Yi-Ching of Deloitte Taiwan. For the convenience of reading, the statements have been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

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China General Plastics Corporation and Subsidiaries
Notes to Consolidated Financial Statements
For the Three Months Ended March 31, 2026 and 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. Company History

China General Plastics Corporation ("the Company") was incorporated and began operation on April 29, 1964. The Company mainly engages in the production and sale of PVC films, PVC leather, PVC pipes, PVC compounds, PVC resins, construction products, chlor-alkali products and other related products.

The Company's ordinary shares have been listed on the Taiwan Stock Exchange since March 1973.

The consolidated financial statements of the Company and its subsidiaries (collectively referred to as "the Group") are presented in the Company's functional currency, the New Taiwan dollar (NT\$).

2. Date and Procedures of Authorization of Financial Statements

The consolidated financial statements have been approved by the Board of Directors on May 4, 2026.

3. Application of New, Amended, and Revised Standards and Interpretations

(1) Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The initial application of the amendments to the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the accounting policies of the Group

- (2) IFRS Accounting Standards issued by the IASB but not yet endorsed and issued into effect by the FSC

New/Amended/Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture"	To be determined by IASB
IFRS 18 - "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 - "Subsidiaries without Public Accountability: Disclosures" (Including the amendments in 2025)	January 1, 2027
Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"	January 1, 2027

Note 1: Unless otherwise specified, the aforementioned new, amended and revised standards and interpretations shall be effective for the annual reporting period after the specified dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC. .

IFRS 18 - "Presentation and Disclosure in Financial Statements" and consequential amendments

IFRS 18 will replace IAS 1 "Presentation of Financial Statements," the main changes comprise:

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

In addition, the following consequential amendments have been made to IAS 7 “Statement of Cash Flows”:

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.
- Interest and dividends received by the Group shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Group has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing other impacts of above amended standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. Summary of Significant Accounting Policies

(1) Statement of compliance

The interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Statements by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in IFRS of annual consolidated financial statements.

(2) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurement is classified into three levels based on the observability and importance of related inputs:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

(3) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. The total comprehensive income of subsidiaries is attributed to the owners of the Company and the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

Please refer to Note 12 and Table 7 and Table 8 for detailed information on subsidiaries (including the percentages of ownership and main businesses).

(4) Other significant accounting policies

Except for the following, for the accounting policies applied to these interim consolidated financial statements, please refer to the consolidated financial statements for the year ended December 31, 2025.

1) Carbon fee provisions

In accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC, the carbon fee provision is recognized and measured on the basis of the best estimate of the expenditure required to settle the obligation for the current year and the proportion of actual emissions to the total annual emissions.

2) –Post-employment benefits- defined benefit plans

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and significant plan amendments, settlements, or other significant one-off events.

3) Taxation

The income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. Critical Accounting Judgments and Key Sources of Estimation and Uncertainty

When developing significant accounting estimates, the Group incorporates potential impacts on related key estimates such as cash flow projections, growth rates, discount rates, and profitability. Management continuously reviews these estimates and the underlying assumptions. Please refer to the major sources of significant accounting judgments, estimates, and assumptions uncertainty disclosed in the consolidated financial statements for the year ended December 31, 2025.

6. Cash and Cash Equivalents

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand and petty cash	\$ 578	\$ 443	\$ 566
Checking accounts and demand deposits	582,163	386,994	246,436
Cash equivalents			
Time deposits	541,048	25,144	81,352
Reverse repurchase agreements collateralized by bonds	79,968	99,839	998,649
	<u>\$ 1,203,757</u>	<u>\$ 512,420</u>	<u>\$ 1,327,003</u>

The market rate intervals of time deposits in banks and reverse repurchase agreements collateralized by bonds at the end of the reporting period were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Time deposits	1.65%-3.65%	3.82%	4.27%-4.33%
reverse repurchase agreements collateralized by bonds	1.60%	1.68%	1.44%-1.77%

7. Financial Instruments at FVTPL

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Financial assets mandatorily classified as at FVTPL</u>			
Derivatives (not under hedge accounting)			
— Foreign exchange forward contracts	\$ 2,144	\$ 864	\$ 1,435
Non-derivative financial assets			
— Mutual Funds	159,878	291,937	93,023
— Beneficiary securities	56,289	57,082	59,539
— Domestic listed equity investments	46,000	46,400	64,100
— Overseas unlisted equity investments	-	-	-
	<u>\$ 264,311</u>	<u>\$ 396,283</u>	<u>\$ 218,097</u>
<u>Financial liabilities held for trading</u>			
Derivatives (not under hedge accounting)			
— Foreign exchange forward contracts	<u>\$ 766</u>	<u>\$ 354</u>	<u>\$ -</u>

At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)		
<u>March 31, 2026</u>					
Sell	USD / NTD	2026.04.14-2026.04.30	USD	1,272 /NTD	39,912
Buy	NTD / USD	2026.04.01	NTD	75,575 /USD	2,423
<u>December 31, 2025</u>					
Sell	USD / NTD	2026.01.19-2026.03.30	USD	2,460 /NTD	76,777
Buy	NTD / USD	2026.01.06	NTD	25,561 /USD	840
<u>March 31, 2025</u>					
Buy	NTD / USD	2025.04.21	NTD	82,738 /USD	2,540

The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities. These contracts did not meet the criteria for hedge accounting. Therefore, the Group did not apply a hedge accounting treatment for these contracts.

8. **Financial Assets at FVTOCI - Non-Current**

Investments in equity instruments

	March 31, 2026	December 31, 2025	March 31, 2025
	<u> </u>	<u> </u>	<u> </u>
Domestic investments			
Listed ordinary shares			
Asia Polymer Corporation	\$ 2,410	\$ 1,713	\$ 1,739
Unlisted ordinary shares			
KHL IB Venture Capital Co., Ltd.	49,003	52,947	57,374
	<u>\$ 51,413</u>	<u>\$ 54,660</u>	<u>\$ 59,113</u>

The Group invested in equity instruments for medium to long-term strategic purposes and expects to make a profit via long-term investment. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as it believes that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

9. **Financial Assets at Amortized Cost - Current**

	March 31, 2026	December 31, 2025	March 31, 2025
	<u> </u>	<u> </u>	<u> </u>
Domestic investments			
Pledged time deposits	\$ 286,146	\$ 285,780	\$ 285,036
Time deposits with maturity over 3 months	89,586	62,860	66,410
Reverse repurchase agreements collateralized by bonds with maturity over 3 months	-	148,746	763,134
	<u>\$ 375,732</u>	<u>\$ 497,386</u>	<u>\$ 1,114,580</u>

The market rate intervals of financial assets at amortized cost - current at the end of the reporting period were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Domestic investments			
Pledged time deposits	1.620%-1.655%	0.660%-1.655%	0.660%-1.655%
Time deposits with maturity over 3 months	3.650%-3.700%	4.090%	4.400%
Reverse repurchase agreements collateralized by bonds with maturity over 3 months	-	1.690%	1.800%-1.920%

Please refer to Note 30 for information related to financial assets at amortized cost pledged as security.

10. Notes Receivable, Trade Receivables and Other Receivables

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Notes receivable</u>			
Notes receivable - operating	<u>\$ 76,464</u>	<u>\$ 91,172</u>	<u>\$ 120,643</u>
<u>Trade receivables (including related parties) (Note 29)</u>			
At amortized cost			
Gross carrying amount	\$ 1,240,806	\$ 752,597	\$ 850,349
Less: Allowance for impairment loss	(<u>13,061</u>)	(<u>13,018</u>)	(<u>13,152</u>)
	<u>\$ 1,227,745</u>	<u>\$ 739,579</u>	<u>\$ 837,197</u>
<u>Other receivables (including related parties) (Note 29)</u>			
Tax refund receivables	\$ 70,219	\$ 50,467	\$ 68,920
Interest receivable	1,923	3,095	6,588
Others	<u>8,645</u>	<u>42,872</u>	<u>12,988</u>
	<u>\$ 80,787</u>	<u>\$ 96,434</u>	<u>\$ 88,496</u>

Notes/Trade Receivables

The Group's credit period for the sale of goods ranges from 10 days to 120 days. In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Before accepting a new customer, the Group surveys the customers' credit history and measures the potential customer's credit quality to set a credit limit. A customer's credit limit and rating are reviewed annually. In addition, the Group reviews the recoverable amount of trade debt at the end of the reporting period to ensure that adequate allowance of impairment loss is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated referencing to past default experience with the respective debtors and an analysis of the debtors' current financial positions, adjusted for general economic conditions of the industry and an assessment of economic conditions at the reporting date.

The Group writes off a trade receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the due receivables. Where recoveries are made, they are recognized in profit or loss.

The following table details the loss allowance of notes and trade receivables based on the Group's allowance matrix:

March 31, 2026

	Credit Rating A	Credit Rating B	Credit Rating C	Others	Total
Gross carrying amount	\$ 344,165	\$ 275,558	\$ 138,819	\$ 558,728	\$ 1,317,270
Loss allowance (lifetime ECLs)	-	(2,558)	(2,826)	(7,677)	(13,061)
Amortized cost	<u>\$ 344,165</u>	<u>\$ 273,000</u>	<u>\$ 135,993</u>	<u>\$ 551,051</u>	<u>\$ 1,304,209</u>

December 31, 2025

	Credit Rating A	Credit Rating B	Credit Rating C	Others	Total
Gross carrying amount	\$ 154,336	\$ 199,860	\$ 154,447	\$ 335,126	\$ 843,769
Loss allowance (lifetime ECLs)	-	(2,104)	(3,153)	(7,761)	(13,018)
Amortized cost	<u>\$ 154,336</u>	<u>\$ 197,756</u>	<u>\$ 151,294</u>	<u>\$ 327,365</u>	<u>\$ 830,751</u>

March 31, 2025

	Credit Rating A	Credit Rating B	Credit Rating C	Others	Total
Gross carrying amount	\$ 224,950	\$ 219,351	\$ 131,791	\$ 394,900	\$ 970,992
Loss allowance (lifetime ECLs)	-	(2,044)	(2,773)	(8,335)	(13,152)
Amortized cost	<u>\$ 224,950</u>	<u>\$ 217,307</u>	<u>\$ 129,018</u>	<u>\$ 386,565</u>	<u>\$ 957,840</u>

The aging of notes receivable and trade receivables was as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Not past due	\$ 1,230,602	\$ 827,639	\$ 906,294
Less than and including 60 days	86,443	15,694	63,369
Over 60 days	225	436	1,329
	<u>\$ 1,317,270</u>	<u>\$ 843,769</u>	<u>\$ 970,992</u>

The above aging schedule was based on the number of days past due from the end of the credit term.

The movements of the loss allowance of notes receivable and trade receivables were as follows:

	For the Three Months Ended March 31, 2026	For the Three Months Ended March 31, 2025
Balance at January 1	\$ 13,018	\$ 13,120
Foreign exchange gains and losses	43	32
Balance at March 31	<u>\$ 13,061</u>	<u>\$ 13,152</u>

11. Inventories

	March 31, 2026	December 31, 2025	March 31, 2025
Finished goods	\$ 836,599	\$ 1,161,281	\$ 1,471,277
Work in progress	48,736	45,006	59,759
Raw materials	607,054	718,056	795,410
	<u>\$ 1,492,389</u>	<u>\$ 1,924,343</u>	<u>\$ 2,326,446</u>

For the three months ended March 31, 2026 and 2025, the costs of goods sold for inventories amounted to \$2,621,262 thousand and \$2,567,654 thousand, respectively. For the three months ended March 31, 2026 and 2025, the costs of goods sold included (reversals) provisions of allowance for write-downs of inventories and obsolescence losses amounted to \$(114,533) thousand and \$52,077 thousand, respectively. The increase in the net realizable value of inventories was due to the rise in the market selling price of the inventories.

12. Subsidiary

All subsidiaries of the Company are included in the consolidated financial statements. The entities included in the preparation of these consolidated financial statements were as follows:

Investor Company	Subsidiary	Nature of Activities	Proportion of Ownership (%)			Note
			March 31, 2026	December 31, 2025	March 31, 2025	
The Company	CGPC Polymer Corporation (CGPCPOL)	Manufacturing and marketing of PVC resins	100.00%	100.00%	100.00%	Subsidiary (Note 1)
The Company	Taiwan VCM Corporation (TVCM)	Manufacturing and marketing of VCM	87.31%	87.31%	87.27%	Subsidiary (Note 2)
The Company	CGPC (BVI) Holding Co., Ltd. (CGPC (BVI))	Reinvestment	100.00%	100.00%	100.00%	Subsidiary
The Company	CGPC America Corporation (CGPC-America)	Marketing of PVC film and leather products	100.00%	100.00%	100.00%	Subsidiary
TVCM	Global Green Technology Corporation (GGTC)	Environmental detection services	100.00%	100.00%	100.00%	Subsidiary of TVCM (Note 3)
CGPC (BVI)	Continental General Plastics (Zhong Shan) Co., Ltd. (CGPC (ZS))	Manufacturing and marketing of PVC film and consumer products	100.00%	100.00%	100.00%	Subsidiary of CGPC (BVI)

Note 1: On August 5, 2025 the board of directors of CGPCPOL resolved to reduce capital by \$476,620 thousand to offset accumulated deficits and to eliminate 47,622 thousand issued shares. The capital reduction record date was on August 7, 2025. On the same day, the board of directors also approved a cash capital increase of \$500,000 thousand and issuance of 50,000 thousand shares. The capital increase record date was on August 14, 2025.

Note 2: Pursuant to its medium-to-long-term investment strategy, the Company acquired 116 thousand shares of TVCM from external shareholders in July 2025 for \$1,330 thousand, increasing its ownership stake from 87.27% to 87.31%. As this transaction did not alter the Group's control over the subsidiary, it was accounted for as an equity transaction. The resulting difference from this equity transaction was recognized by increasing capital surplus by \$331 thousand.

Note 3: On May 12, 2025, the board of directors of GGTC, acting on behalf of the shareholders' meeting, resolved to increase its capital by \$663 thousand through capitalization of earnings and to issue 66 thousand new shares, with the record date set as August 4, 2025.

Except for the financial statements of TVCM and CGPCPOL, the financial statements of other non-significant subsidiaries included in the consolidated financial statements were not reviewed by the auditors.

13. Investment Accounted for Equity Method

Investments in Associates That are not Individually Material

	March 31, 2026	December 31, 2025	March 31, 2025
Listed company			
Acme Electronics Corporation (ACME)	\$ 34,115	\$ 32,881	\$ 33,939
Unlisted company			
China General Terminal & Distribution Corporation (CGTD)	<u>305,882</u>	<u>287,145</u>	<u>292,637</u>
	<u>\$ 339,997</u>	<u>\$ 320,026</u>	<u>\$ 326,576</u>

Aggregate Information of Associates That are not Individually Material

	For the Three Months Ended March 31, 2026	For the Three Months Ended March 31, 2025
The Group's share of:		
Loss for the period	(\$ 5,636)	(\$ 9,559)
Other comprehensive income (loss)	<u>25,607</u>	(<u>530</u>)
Total comprehensive income (loss)	<u>\$ 19,971</u>	(<u>\$ 10,089</u>)

At the end of the reporting periods, the percentage of ownership and voting rights held by the Group in the associates were as follows:

Company Name	March 31, 2026	December 31, 2025	March 31, 2025
ACME	1.67%	1.67%	1.67%
CGTD	33.33%	33.33%	33.33%

Please refer to Table 7 “Information on Reinvestment” for the nature of activities, principal places of business and countries of incorporation of the associates.

The Group in conjunction with its affiliates jointly held more than 20% of each of the shareholdings of ACME and had significant influence over each entity. Therefore, the Group adopted the equity method to evaluate the above investments.

Fair values (Level 1) of investments in associates with open market quotations are summarized as follows:

Company Name	March 31, 2026	December 31, 2025	March 31, 2025
ACME	<u>\$ 81,673</u>	<u>\$ 101,289</u>	<u>\$ 78,642</u>

Except for those of ACME, the Group's investments accounted for using the equity method and its share of profit or loss and other comprehensive income or loss for the three months ended March 31, 2026 and 2025 were not reviewed by auditors.

14. Property, Plant and Equipment

	Freehold Land	Buildings and Improvements	Machinery and Equipment	Transportation Equipment	Miscellaneous Equipment	Construction in Progress and Machinery in Transit	Total
<u>Cost</u>							
Balance at January 1, 2026	\$ 2,090,707	\$ 1,878,838	\$ 12,503,119	\$ 78,139	\$ 401,446	\$ 4,823,046	\$ 21,775,295
Additions	-	92	-	-	43	673,658	673,793
Disposal	-	(63)	(18,691)	(1,578)	(2,675)	-	(23,007)
Reclassification	-	11,686	1,797,494	-	6,421	(1,815,601)	-
Reclassification to investment property	(327,960)	-	-	-	-	-	(327,960)
Effect of foreign currency exchange differences	-	22	1,212	72	318	4,090	5,714
Balance at March 31, 2026	<u>\$ 1,762,747</u>	<u>\$ 1,890,575</u>	<u>\$ 14,283,134</u>	<u>\$ 76,633</u>	<u>\$ 405,553</u>	<u>\$ 3,685,193</u>	<u>\$ 22,103,835</u>
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2026	\$ -	\$ 1,196,243	\$ 9,113,643	\$ 62,561	\$ 339,906	\$ 432	\$ 10,712,785
Depreciation expense	-	17,135	167,524	2,080	6,499	-	193,238
Disposal	-	(42)	(18,360)	(1,578)	(2,675)	-	(22,655)
Effect of foreign currency exchange differences	-	12	1,163	88	168	15	1,446
Balance at March 31, 2026	<u>\$ -</u>	<u>\$ 1,213,348</u>	<u>\$ 9,263,970</u>	<u>\$ 63,151</u>	<u>\$ 343,898</u>	<u>\$ 447</u>	<u>\$ 10,884,814</u>
Net amount at March 31, 2026	<u>\$ 1,762,747</u>	<u>\$ 677,227</u>	<u>\$ 5,019,164</u>	<u>\$ 13,482</u>	<u>\$ 61,655</u>	<u>\$ 3,684,746</u>	<u>\$ 11,219,021</u>
<u>Cost</u>							
Balance at January 1, 2025	\$ 2,090,707	\$ 1,807,673	\$ 12,079,889	\$ 77,083	\$ 388,930	\$ 3,382,570	\$ 19,826,852
Additions	-	-	-	-	-	299,208	299,208
Disposal	-	-	(22,744)	-	(5,214)	-	(27,958)
Reclassification	-	3,173	37,816	1,140	4,139	(46,268)	-
Effect of foreign currency exchange differences	-	15	546	47	168	1,294	2,070
Balance at March 31, 2025	<u>\$ 2,090,707</u>	<u>\$ 1,810,861</u>	<u>\$ 12,095,507</u>	<u>\$ 78,270</u>	<u>\$ 388,023</u>	<u>\$ 3,636,804</u>	<u>\$ 20,100,172</u>
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2025	\$ -	\$ 1,138,656	\$ 8,551,819	\$ 59,582	\$ 322,990	\$ 441	\$ 10,073,488
Depreciation expense	-	17,388	167,633	1,604	5,954	-	192,579
Disposal	-	-	(22,393)	-	(4,350)	-	(26,743)
Effect of foreign currency exchange differences	-	5	527	47	88	6	673
Balance at March 31, 2025	<u>\$ -</u>	<u>\$ 1,156,049</u>	<u>\$ 8,697,586</u>	<u>\$ 61,233</u>	<u>\$ 324,682</u>	<u>\$ 447</u>	<u>\$ 10,239,997</u>
Net amount at March 31, 2025	<u>\$ 2,090,707</u>	<u>\$ 654,812</u>	<u>\$ 3,397,921</u>	<u>\$ 17,037</u>	<u>\$ 63,341</u>	<u>\$ 3,636,357</u>	<u>\$ 9,860,175</u>

The additions to construction in progress and machinery to be inspected were mainly due to the engineering works of the Company's new reactors and associated equipment.

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings and improvements	3~60 years
Machinery and equipment	2~26 years
Transportation equipment	2~10 years
Miscellaneous equipment	2~21 years

No impairment loss was recognized or reversed for the three months ended March 31, 2026 and 2025.

Please refer to Note 30 for the amount of property, plant and equipment pledged as collaterals for loans.

15. Lease Arrangements

(1) Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amount of right-of-use assets			
Land	\$ 78,854	\$ 82,104	\$ 92,660
Buildings	<u>9,643</u>	<u>10,765</u>	<u>15,467</u>
	<u>\$ 88,497</u>	<u>\$ 92,869</u>	<u>\$ 108,127</u>
	For the Three Months Ended March 31, 2026	For the Three Months Ended March 31, 2025	
Additions to right-of-use assets	<u>\$ 443</u>	<u>\$ -</u>	
Depreciation expense of right-of-use assets			
Land	\$ 3,693	\$ 3,688	
Buildings	<u>1,300</u>	<u>1,352</u>	
	<u>\$ 4,993</u>	<u>\$ 5,040</u>	

Except for the recognition of depreciation expense, the Group's right-of-use assets did not experience significant sub-lease and impairment for the three months ended March 31, 2026 and 2025.

(2) Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amount of lease liabilities			
Current	<u>\$ 21,440</u>	<u>\$ 21,208</u>	<u>\$ 21,098</u>
Non-current	<u>\$ 72,538</u>	<u>\$ 77,673</u>	<u>\$ 92,935</u>

Ranges of discount rates for lease liabilities were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Land	0.8244%-2.0500%	0.8244%-2.0500%	0.8244%-2.0500%
Buildings	5.7000%- 8.0000%	5.7000%- 8.0000%	5.7000%- 8.0000%

(3) Material lease activities and contractual terms and conditions

The Group has leased certain land and buildings from others for use as factories and offices, with lease term ranging from 4 to 14 years. At the end of the lease term, the Group has no preferential right to purchase the leased land and buildings.

The Group adjusted its lease payments arising from the lease contract of land located in Kaohsiung for the change in the publicly announced land price.

(4) Other lease information

	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Expenses relating to short-term leases	<u>\$ 7,814</u>	<u>\$ 3,604</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 8,044</u>	<u>\$ 18,440</u>
Total cash outflow for leases	<u>(\$ 21,821)</u>	<u>(\$ 27,995)</u>

The Group has elected to apply the exemptions to recognize the leases of land, buildings, transportation equipment, and office equipment that eligible for short term leases so no corresponding right-of-use assets and lease liabilities are recognized for these leases.

16. Investment Properties

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Land	\$ 446,557	\$ 118,597	\$ 118,597
Buildings and improvements, net	223,697	225,755	241,075
Right-of-use assets, net	<u>71,452</u>	<u>69,889</u>	<u>79,700</u>
	<u>\$ 741,706</u>	<u>\$ 414,241</u>	<u>\$ 439,372</u>

The Group's investment properties are located in industrial districts. Due to the characteristics of the districts, the market for comparable properties is inactive and alternative reliable measurements of fair value were not available. Therefore, the Group determined that the fair value of its investment properties is not reliably measurable.

CGPC (ZS), a subsidiary of CGPC (BVI), which is a subsidiary of the Group, leases land located in Huoju Development Zone, Zhongshan City, Guangdong Province and sub-leases the land to other companies under operating leases. The corresponding right-of-use assets are accounted for as investment properties.

The total future lease payments to be collected under operating leases for investment properties as of March 31, 2026, December 31, 2025, and March 31, 2025 are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Year 1	\$ 49,006	\$ 52,450	\$ 50,441
Year 2	41,420	41,208	42,563
Year 3	41,420	40,934	41,426
Year 4	32,808	36,174	41,426
Year 5	26,655	26,655	32,810
Over 5 years	<u>59,975</u>	<u>66,638</u>	<u>86,629</u>
	<u>\$ 251,284</u>	<u>\$ 264,059</u>	<u>\$ 295,295</u>

Except for the recognition of depreciation expense, the Group's investment properties did not experience significant additions, disposals, and impairments for the three months ended March 31, 2026 and 2025.

The investment properties are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings and improvements	5~26 years
Right-of-use assets	50 years

17. Borrowings

(1) Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Unsecured borrowings</u>			
Bank loans	<u>\$ 1,512,000</u>	<u>\$ 760,000</u>	<u>\$ 1,930,000</u>
The range of interest rate	0.380%-1.990%	0.380%-1.980%	1.846%-1.996%

Based on "Support Program for Taiwan's Export Supply Chains Amid US Tariffs Measures", CGPCPOL obtained a special low-interest bank loan, which was to be used for projects eligible for the subsidy, and it recognized and measured the loan according to the market interest rate. The difference between the actual interest paid and the preferential interest rate shall be treated as government subsidies.

(2) Short-term notes and bills payable

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Commercial note payable</u>	\$ 100,000	\$ -	\$ 300,000
Less: Discount on commercial note payable	(<u>110</u>)	-	(<u>110</u>)
	<u>\$ 99,890</u>	<u>\$ -</u>	<u>\$ 299,890</u>
The range of interest rate	1.740%	-	1.740%-1.750%

(3) Long-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Secured borrowings</u> (Note 30)			
Bank loans	\$ 3,333,320	\$ 2,971,331	\$ 290,168
<u>Unsecured borrowings</u>			
Bank loans	<u>2,705,513</u>	<u>2,931,727</u>	<u>3,734,382</u>
	6,038,833	5,903,058	4,024,550
Less: Portion listed as due within 1 year	(<u>1,171,147</u>)	(<u>1,688,296</u>)	(<u>1,570,443</u>)
	<u>\$ 4,867,686</u>	<u>\$ 4,214,762</u>	<u>\$ 2,454,107</u>
The range of interest rate	0.665%-2.200%	1.075%-2.200%	1.075%-2.200%

Based on "Action Plan for Accelerated Investment by Domestic Corporations," "Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan," and "Support Program for Taiwan's Export Supply Chains Amid US Tariffs Measures," the Company obtained a special low-interest bank loan, which must be used for qualifying subsidized purposes. The loans are recognized and measured at market interest rates, and the difference between the market rate and the preferential repayment rate is accounted for as government grants.

Based on "Action Plan for Accelerated Investment by SMEs" and "Support Program for Taiwan's Export Supply Chains Amid US Tariffs Measures," TVCM obtained a special low-interest bank loan, which was to be used for projects eligible for the subsidy, and it recognized and measured the loan according to the market interest rate. The difference between the actual interest paid and the preferential interest rate shall be treated as government subsidies.

The Group has certain loan agreements that stipulate the financial statements that must maintain current ratios and debt ratios not below specific ratios. In the event of non-compliance, the Group must submit improvement measures to the banks. As of March 31, 2026, the Group has not violated any of the aforementioned financial ratios.

18. Notes/Trade Payables

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Notes payable</u>			
Operating	<u>\$ 19,733</u>	<u>\$ 24,185</u>	<u>\$ 33,167</u>
<u>Trade payables (including related parties) (Note 29)</u>			
Operating	<u>\$ 697,473</u>	<u>\$ 533,456</u>	<u>\$ 528,774</u>

The average payment period of trade payables was 2 months. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

19. Other Payables - Non-Related Parties

	March 31, 2026	December 31, 2025	March 31, 2025
Payables for purchases of equipment	\$ 170,338	\$ 242,922	\$ 193,924
Payables for utilities and fuel fees	147,048	147,231	159,396
Payables for salaries or bonuses	108,625	154,009	137,405
Payables for freight	81,792	60,691	63,302
Miscellaneous tax payable	13,352	7,718	20,931
Dividends payable	10,023	10,094	10,165
Others	<u>140,695</u>	<u>130,769</u>	<u>144,552</u>
	<u>\$ 671,873</u>	<u>\$ 753,434</u>	<u>\$ 729,675</u>

20. Provisions

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Current</u>			
Carbon fee	<u>\$ 18,023</u>	<u>\$ 17,136</u>	<u>\$ 4,881</u>

Since 2025, the Group has recognized a provision for carbon fee liabilities in accordance with Taiwan's Regulations Governing the Collection of Carbon Fees and other related laws. The Group obtained approval letters from the competent authority for its voluntary emission reduction plan in March 2026 and for high carbon leakage risk qualification in April 2026. Therefore, the provision for carbon fee liabilities is calculated based on the preferential rate.

21. Retirement Benefit Plans

Pension expense in respect of the Group's defined benefit retirement plans recognized for the three months ended March 31, 2026 and 2025 was calculated using the actuarially determined pension cost rates as of December 31, 2025 and 2024, respectively and amounted to \$1,486 thousand and \$1,852 thousand, respectively. Of the entities within the Group, the Company and TVCM are subject to defined benefit plans and contribute to the pension funds at a rate of 10% of employees' total monthly salaries.

22. Equity

(1) Ordinary share

	March 31, 2026	December 31, 2025	March 31, 2025
Number of shares authorized (in thousands)	<u>650,000</u>	<u>650,000</u>	<u>650,000</u>
Share authorized	<u>\$ 6,500,000</u>	<u>\$ 6,500,000</u>	<u>\$ 6,500,000</u>
Number of share issued and fully paid (in thousands)	<u>581,050</u>	<u>581,050</u>	<u>581,050</u>
Share issued	<u>\$ 5,810,505</u>	<u>\$ 5,810,505</u>	<u>\$ 5,810,505</u>

The holders of issued ordinary shares with a par value of \$10 are entitled to the right to one vote and to receive dividends.

(2) Capital surplus

Capital surplus relating to unclaimed dividends of which the claim period has expired and which generated from investments in associates accounted for using the equity method may be used only to offset previous deficits.

Capital surplus generated from the difference between the acquisition price of a subsidiary's equity and the book value may be used to offset deficits, be distributed in cash, or be appropriated to share capital.

(3) Retained earnings and dividend policy

Under the dividends policy as set forth in the Company's Articles of Incorporation, where the Company makes a net income in a fiscal year, the profit shall be used first for offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. The shareholders' meeting may retain part or all of such earnings depending on the operating circumstances. The industry that the Company operates in is in the maturity stage. Consequently, in order to take R&D needs and diversification into consideration, shareholders' dividends shall not be less than 10% of the distributable earnings in the current year, of which the cash dividends shall not be less than 10% of the total dividends. However, if the distributable earnings of the year are less than \$0.1 per share, it shall not be distributed. For the policies on the distribution of employees' compensation and remuneration of directors after amendment, please refer to Note 24(7), "Employees' compensation and remuneration of directors."

The appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2025 and 2024 as approved in the Company's board of directors meeting held on March 4, 2026 and the shareholders' meeting held on May 27, 2025, respectively, are as follows:

	<u>Appropriation of Earnings</u>		<u>Dividends Per Share (NT\$)</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Cash dividends	\$ 58,105	\$ 87,158	\$ 0.10	\$ 0.15

The distribution of earnings for 2025 is subject to the resolution in the shareholders' meeting on May 26, 2026.

(4) Special reserve

The Company appropriated a special reserve in the amount of \$408,223 thousand after offsetting a deficit of \$428,727 thousand, which was from the net increase of retained earnings arising from the initial adoption of IFRSs. As of March 31, 2026, there was no change.

(5) Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	For the Three Months Ended March 31, 2026	For the Three Months Ended March 31, 2025
Balance at January 1	(\$ 6,413)	\$ 6,008
Recognized for the period		
Exchange differences on translating the financial statements of foreign operations	14,733	7,362
Share of exchange of differences of associates accounted for using the equity method	862	470
Related income tax	(2,947)	(1,472)
Balance at March 31	<u>\$ 6,235</u>	<u>\$ 12,368</u>

2) Unrealized gains (losses) on financial assets at FVTOCI

	For the Three Months Ended March 31, 2026	For the Three Months Ended March 31, 2025
Balance at January 1	\$ 25,289	\$ 28,837
Recognized for the period		
Unrealized losses		
Equity instruments	(3,335)	(93)
Share of exchange of differences associates accounted for using the equity method	24,745	(1,000)
Balance at March 31	<u>\$ 46,699</u>	<u>\$ 27,744</u>

23. Revenue

(1) Revenue from contracts with customers

	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Revenue from the sale of goods		
PVC products	\$ 2,310,894	\$ 2,270,359
VCM products	<u>363,011</u>	<u>191,770</u>
	<u>\$ 2,673,905</u>	<u>\$ 2,462,129</u>

Revenue of the Group mainly comes from the sale of VCM, chlor-alkali products, PVC resins, PVC compounds and other related products.

Please refer to Note 35 for details about revenue from contracts with customers.

(2) Contract balances

Please refer to Note 10 for information related to notes receivable and trade receivables.

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>	<u>January 1, 2025</u>
Contract liabilities (presented in other current liabilities)	<u>\$ 70,494</u>	<u>\$ 66,802</u>	<u>\$ 90,013</u>	<u>\$ 110,791</u>

The changes in the balance of contract liabilities primarily result from the timing difference between the Group's fulfillment of performance obligation and the respective customers' payment.

(3) Refund liabilities

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Refund liabilities (presented in other current liabilities)	<u>\$ 24,598</u>	<u>\$ 22,382</u>	<u>\$ 25,466</u>

Refund liabilities relating to sales return and discount are estimated based on historical experience, management judgment, and other known factors, and are recognized as a reduction of operating revenue in the year in which the related products are sold.

24. Net Loss for the Period

(1) Interest income

	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Bank deposits	\$ 1,217	\$ 1,167
Financial assets at FVTPL	-	174
Financial assets at amortized cost	817	4,449
Others	<u>320</u>	<u>2,729</u>
	<u>\$ 2,354</u>	<u>\$ 8,519</u>

(2) Other income

	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Rental income	\$ 17,483	\$ 15,687
Others	<u>5,417</u>	<u>13,289</u>
	<u>\$ 22,900</u>	<u>\$ 28,976</u>

(3) Other gains and losses

	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Net gains (losses) on the disposal of property, plant and equipment	\$ 394	(\$ 1,022)
Gross foreign exchange gains	27,197	28,508
Gross foreign exchange losses	(4,711)	(16,546)
Net gains on fair value change on financial instruments at FVTPL	816	4,928
Depreciation expenses on investment properties	(4,113)	(5,937)
Depreciation expenses on property, plant and equipment	-	(1,301)
Others	<u>(3,603)</u>	<u>(11,816)</u>
	<u>\$ 15,980</u>	<u>(\$ 3,186)</u>

(4) Interest expense

	For the Three Months Ended March 31, 2026	For the Three Months Ended March 31, 2025
Interest on bank loans	\$ 32,957	\$ 28,375
Interest on lease liabilities	413	540
Less: Capitalized interest (presented under construction in progress)	(<u>5,760</u>)	(<u>1,377</u>)
	<u>\$ 27,610</u>	<u>\$ 27,538</u>

Information about capitalized interest was as follows:

	For the Three Months Ended March 31, 2026	For the Three Months Ended March 31, 2025
Capitalized interest	\$ 5,760	\$ 1,377
Capitalization rate	1.25%-1.45%	1.25%-1.28%

(5) Depreciation and amortization

	For the Three Months Ended March 31, 2026	For the Three Months Ended March 31, 2025
Property, plant and equipment	\$ 193,238	\$ 192,579
Right-of-use assets	4,993	5,040
Investment properties	4,113	5,937
Intangible assets	544	543
Others	<u>4,605</u>	<u>5,060</u>
	<u>\$ 207,493</u>	<u>\$ 209,159</u>

Analysis of depreciation by
function

Operating costs	\$ 194,452	\$ 193,011
Operating expenses	3,779	3,307
Other gains and losses	<u>4,113</u>	<u>7,238</u>
	<u>\$ 202,344</u>	<u>\$ 203,556</u>

Analysis of amortization by
function

Operating costs	\$ 5,104	\$ 5,558
Operating expenses	<u>45</u>	<u>45</u>
	<u>\$ 5,149</u>	<u>\$ 5,603</u>

(6) Employee benefits expense

	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Post-employment benefits (Note 21)		
Defined contribution plans	\$ 8,409	\$ 8,575
Defined benefit plans	<u>1,486</u>	<u>1,852</u>
	9,895	10,427
Other employee benefits	<u>236,318</u>	<u>260,581</u>
Total employee benefits expenses	<u>\$ 246,213</u>	<u>\$ 271,008</u>
Analysis of employee benefits expense by function		
Operating costs	\$ 201,168	\$ 221,871
Operating expenses	<u>45,045</u>	<u>49,137</u>
	<u>\$ 246,213</u>	<u>\$ 271,008</u>

(7) Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at rates of no less than 1% and no higher than 1%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. In accordance with the August 2024 amendments to the Securities and Exchange Act, the Company plans to propose an amendment to the Articles of Incorporation at the 2025 shareholders' meeting to stipulate that no less than 40% of the employee compensation allocated for the year shall be designated as compensation for frontline employees. No compensation for employees, including compensation for frontline employees and remuneration of directors has been estimated for the three months ended March 31, 2026 and 2025 due to losses.

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate and recognized in the following year.

Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors is available on the Market Observation Post System website of the Taiwan Stock Exchange.

25. Taxation

- (1) Income tax benefit recognized in profit or loss

Major components of income tax benefits are as follows:

	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Current tax		
In respect of the current period	(\$ 874)	\$ -
Adjustments for prior periods	<u>-</u> (874)	<u>(6,511)</u> (6,511)
Deferred tax		
In respect of the current period	(31,529)	(69,757)
Adjustments for prior periods	<u>-</u> (31,529)	<u>7</u> (69,750)
Income tax benefits recognized in profit or loss	<u>(\$ 32,403)</u>	<u>(\$ 76,261)</u>

- (2) Income tax recognized in other comprehensive income

	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
<u>Deferred tax</u>		
Recognized for the period		
- Exchange differences on translating the financial statements of foreign operations	<u>(\$ 2,947)</u>	<u>(\$ 1,472)</u>

- (3) Income tax assessments

The income tax returns of the Company and TVCM through 2024 and those of CGPCPOL through 2023 have been assessed by the tax authorities.

26. Loss Per Share

	Unit: NT\$ Per Share	
	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Basic loss per share	<u>(\$ 0.21)</u>	<u>(\$ 0.46)</u>
Diluted loss per share	<u>(\$ 0.21)</u>	<u>(\$ 0.46)</u>

Loss and weighted average number of ordinary shares used to calculate loss per share were as follows:

Net loss for the period

	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
The net loss used to calculate basic and diluted loss per share	(\$ <u>120,414</u>)	(\$ <u>268,496</u>)

Shares

Unit: Thousands of shares

	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Weighted average number of ordinary shares used to calculate basic and diluted loss per share	<u>581,050</u>	<u>581,050</u>

If the Group offered to settle remuneration paid to employees in cash or shares, the Group assumed the entire amount of the remuneration would be settled in shares, and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. The dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year. For the three months ended March 31, 2026 and 2025, the remuneration of employees was not accrued due to the state of deficit.

27. Capital Management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

28. Financial Instruments

- (1) Fair value of financial instruments not measured at fair value

The management of the Group believes the carrying amounts of financial assets and financial liabilities not measured at fair value approximate their fair value or their fair value cannot be reliably measured.

(2) Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

March 31, 2026

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivative financial assets	\$ -	\$ 2,144	\$ -	\$ 2,144
Funds beneficiary certificates	159,878	-	-	159,878
Beneficiary securities	56,289	-	-	56,289
Investments in equity instruments				
— Domestic listed equity investments	46,000	-	-	46,000
— Overseas unlisted equity investments	-	-	-	-
	<u>\$ 262,167</u>	<u>\$ 2,144</u>	<u>\$ -</u>	<u>\$ 264,311</u>
<u>Financial Assets at FVTOCI</u>				
Investments in equity instruments				
— Domestic listed equity investments	\$ 2,410	\$ -	\$ -	\$ 2,410
— Domestic unlisted equity investments	-	-	49,003	49,003
	<u>\$ 2,410</u>	<u>\$ -</u>	<u>\$ 49,003</u>	<u>\$ 51,413</u>
<u>Financial liabilities at FVTPL</u>				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 766</u>	<u>\$ -</u>	<u>\$ 766</u>

December 31, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivative financial assets	\$ -	\$ 864	\$ -	\$ 864
Mutual funds	291,937	-	-	291,937
Beneficiary securities	57,082	-	-	57,082
Investments in equity instruments				
— Domestic listed equity investments	46,400	-	-	46,400
— Overseas unlisted equity investments	-	-	-	-
	<u>\$ 395,419</u>	<u>\$ 864</u>	<u>\$ -</u>	<u>\$ 396,283</u>
<u>Financial Assets at FVTOCI</u>				
Investments in equity instruments				
— Domestic listed equity investments	\$ 1,713	\$ -	\$ -	\$ 1,713
— Domestic unlisted equity investments	-	-	52,947	52,947
	<u>\$ 1,713</u>	<u>\$ -</u>	<u>\$ 52,947</u>	<u>\$ 54,660</u>
<u>Financial liabilities at FVTPL</u>				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 354</u>	<u>\$ -</u>	<u>\$ 354</u>

March 31, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivative financial assets	\$ -	\$ 1,435	\$ -	\$ 1,435
Mutual funds	93,023	-	-	93,023
Beneficiary securities	59,539	-	-	59,539
Investments in equity instruments				
— Domestic listed equity investments	64,100	-	-	64,100
— Overseas unlisted equity investments	-	-	-	-
	<u>\$ 216,662</u>	<u>\$ 1,435</u>	<u>\$ -</u>	<u>\$ 218,097</u>
<u>Financial Assets at FVTOCI</u>				
Investments in equity instruments				
— Domestic listed equity investments	\$ 1,739	\$ -	\$ -	\$ 1,739
— Domestic unlisted equity investments	-	-	57,374	57,374
	<u>\$ 1,739</u>	<u>\$ -</u>	<u>\$ 57,374</u>	<u>\$ 59,113</u>

There were no transfers between Levels 1 and 2 fair value measurement for the three months ended March 31, 2026 and 2025.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the Three Months Ended March 31, 2026

	Financial Assets at FVTOCI
Balance at January 1	<u>\$ 52,947</u>
Recognized in other comprehensive income	(<u>3,944</u>)
Balance at March 31	<u>\$ 49,003</u>

For the Three Months Ended March 31, 2025

	Financial Assets at FVTOCI
Balance at January 1	<u>\$ 58,635</u>
Capital reduction and return of capital	(<u>1,196</u>)
Recognized in other comprehensive income	(<u>65</u>)
Balance at March 31	<u>\$ 57,374</u>

3) Valuation techniques and inputs applied for Level 2 fair value measurement

<u>Financial Instruments Category</u>	<u>Valuation Technique and Inputs</u>
Derivatives - foreign exchange forward contracts	Discounted cash flow method: Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

4) Valuation techniques and inputs applied for Level 3 fair value measurement

To determine the fair value for Level 3 financial instruments, the Group's financial department conducts independent fair value verification using independent sources so as to better reflect the market conditions, as well as periodically reviewing the valuation results in order to guarantee the rationality of the measurement. For unlisted domestic equity investments, the Group utilizes the asset approach and takes into account the most recent net asset value, observable financial status as well as the financing activities of investees in order to determine their net asset value. The unobservable input used was a discount for the lack of marketability of 15% on March 31, 2026, December 31, 2025, and March 31, 2025. When other inputs remain unchanged, the fair value will decrease by \$577 thousand, \$623 thousand, and \$675 thousand, respectively, if the discount for lack of marketability increases by 1%.

(3) Categories of financial instruments

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Financial assets</u>			
Financial assets at FVTPL			
Mandatorily classified at FVTPL	\$ 264,311	\$ 396,283	\$ 218,097
Financial assets at amortized cost			
Cash and cash equivalents	1,203,757	512,420	1,327,003
Pledged time deposits	286,146	285,780	285,036
Time deposits with maturity over 3 months	89,586	62,860	66,410
Reverse repurchase agreements collateralized by bonds with maturity over 3 months	-	148,746	763,134
Notes receivable	76,464	91,172	120,643
Trade receivables (including related parties)	1,227,745	739,579	837,197
Other receivables (including related parties and excluding tax refund receivable)	10,568	45,967	19,576
Refundable deposits	68,165	69,975	66,120
Financial assets at FVTOCI-equity instruments	51,413	54,660	59,113
<u>Financial liabilities</u>			
Financial liabilities at FVTPL			
- Held for trading	766	354	-
At amortized cost			
Short-term notes and bills payable	99,890	-	299,890
Short-term borrowings	1,512,000	760,000	1,930,000
Notes payable	19,733	24,185	33,167
Trade payables (including related parties)	697,473	533,456	528,774
Other payables (Note)	581,522	605,160	579,324
Long-term borrowings (including due within one year)	6,038,833	5,903,058	4,024,550
Guarantee deposits	14,941	14,814	15,766

Note: Other payables (including related parties) do not include the amount of salary and bonus payable and miscellaneous tax payable.

(4) Financial risk management objectives and policies

The Group's conduct of risk control and hedging strategy is influenced by the operational environment. The Group monitors and manages the financial risk by business nature and risk dispersion. These risks include market risk (including foreign currency risk, interest rate risk and other price risks), credit risk and liquidity risk.

1) Market risk

The Group's operating activities expose itself primarily to the market risks of changes in foreign currency exchange rates and interest rates.

There has been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Group conducted foreign currency sales and purchases, which exposed the Group to foreign currency risk. In order to avoid the impact of foreign currency exchange rate changes, which lead to deductions in foreign currency denominated assets and fluctuations in their future cash flows, the Group maintains a balance of hedged net foreign currency denominated assets and liabilities. The Group also utilizes foreign exchange forward contracts to hedge the currency exposure. The use of foreign exchange forward contracts is regulated by the policies passed by the Group's board of directors. Internal auditors focus on reviewing the observance of the policies and the quota of risk exposures. The foreign exchange forward contracts that the Group engaged in were not for speculation purposes.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are set out in Note 33.

Sensitivity analysis

The Group's sensitivity analysis mainly focuses on the foreign currency risk of U.S. dollars at the end of the reporting period. Assuming a 3% strengthening/weakening of the functional currency of the Group against U.S. dollars, net loss before income tax for the three months ended March 31, 2026 and 2025, would have increased/decreased by \$25,564 thousand and \$32,976 thousand, respectively.

In management's opinion, the sensitivity analysis was unrepresentative of the inherent foreign currency risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

b) Interest rate risk

The Group was exposed to the fair value risk of interest rate fluctuations for the fixed interest rate bearing financial assets and financial liabilities; the Group was exposed to the cash flow risk of interest rate fluctuations for the floating interest rate bearing financial assets and financial liabilities. The Group's management regularly monitors the fluctuations in market rates and then adjusted its balance of floating rate bearing financial liabilities to make the Group's interest rates more closely approach market rates in response to the interest rate risk.

The carrying amounts of the Group's financial assets and financial liabilities exposed to interest rate risk at the end of the reporting period were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Fair value interest rate risk			
- Financial assets	\$ 995,490	\$ 621,112	\$ 2,201,068
- Financial liabilities	1,475,868	628,881	2,113,923
Cash flow interest rate risk			
- Financial assets	577,840	381,512	221,199
- Financial liabilities	6,268,833	6,133,057	4,254,550

Sensitivity analysis

The fixed-rate financial assets and liabilities held by the Group are not included in the analysis as they are all measured at amortized cost. For floating rate assets and liabilities, the analysis was prepared to assume that the amount of the assets and liabilities outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point fluctuation in interest rate was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

When reporting to the management, the Group considers any interest rate fluctuation within 50 basis points reasonable. If interest rates had been 50 basis points higher/lower and all other variables were held constant, the

Group's net loss before income tax for the three months ended March 31, 2026 and 2025 would have increased/decreased by \$7,114 thousand and \$5,042 thousand, respectively.

c) Other price risks

The Group is exposed to the equity price risk through its investments in domestic listed shares, domestic unlisted shares, mutual funds, and other equity securities investments. The Group manages this exposure by maintaining a portfolio of investments with different risks. In addition, the Group has appointed a special team to monitor the price risk.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to securities price risk at the end of the reporting period. As such, the Group's money market funds recognized under financial assets at FVTPL were not included in the analysis because their price fluctuation risk is extremely low.

If the price of marketable securities had increased/decreased by 5%, net loss before income tax for the three months ended March 31, 2026 and 2025, would have decreased/increased by \$5,114 thousand and \$7,043 thousand, respectively, as a result of the increase/decrease in the fair value of financial assets at fair value through profit or loss (excluding investment in money market funds). Other comprehensive income for the three months ended March 31, 2026 and 2025, would have increased/decreased by \$2,571 thousand and \$2,956 thousand, respectively, as a result of the increase/decrease in the fair value of financial assets at fair value through other comprehensive income.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations and result in financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to counterparties' failure to discharge their obligations and financial guarantees provided by the Group arose principally from:

- a) The carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets; and

- b) The maximum amount the Group would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised.

The Group adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored.

The counterparties of the Group's trade receivable included numerous clients distributed over a variety of areas and were not centered on a single client or location. Furthermore, the Group continuously assesses the financial condition of its clients, and then the Group's credit risk was limited. As of the end of the reporting period, the Group's largest exposure to credit risk is approximately that of the carrying amounts of its financial assets.

3) Liquidity risk

The Group managers maintain working capital and mitigate liquidity risk by maintaining a level of cash and cash equivalents and financing facilities deemed adequate.

- a) Liquidity and interest rate risk tables

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table was drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

March 31, 2026

	On demand or less than 1 years	1~5 years	Over 5 years
<u>Non-derivative</u>			
<u>financial liabilities</u>			
Non-interest bearing liabilities	\$ 1,298,728	\$ -	\$ -
Lease liabilities	22,391	65,802	9,335
Floating interest rate liabilities	1,483,782	3,375,579	1,821,278
Fixed interest rate liabilities	<u>1,384,111</u>	<u>-</u>	<u>-</u>
	<u>\$4,189,012</u>	<u>\$3,441,381</u>	<u>\$1,830,613</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 year	1~5 years	5~10 years	Over 10 years
Lease liabilities	<u>\$ 22,391</u>	<u>\$ 65,802</u>	<u>\$ 4,427</u>	<u>\$ 4,908</u>

December 31, 2025

	On demand or less than 1 years	1~5 years	Over 5 years
<u>Non-derivative</u>			
<u>financial liabilities</u>			
Non-interest bearing liabilities	\$ 1,162,801	\$ -	\$ -
Lease liabilities	22,207	70,777	9,790
Floating interest rate liabilities	1,995,747	2,672,644	1,861,167
Fixed interest rate liabilities	<u>531,632</u>	<u>-</u>	<u>-</u>
	<u>\$3,712,387</u>	<u>\$2,743,421</u>	<u>\$1,870,957</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 year	1~5 years	5~10 years	Over 10 years
Lease liabilities	<u>\$ 22,207</u>	<u>\$ 70,777</u>	<u>\$ 4,827</u>	<u>\$ 4,963</u>

March 31, 2025

	On demand or less than 1 years	1~5 years	Over 5 years
<u>Non-derivative financial liabilities</u>			
Non-interest bearing liabilities	\$ 1,141,265	\$ -	\$ -
Lease liabilities	22,317	75,773	21,238
Floating interest rate liabilities	1,836,545	2,403,479	130,856
Fixed interest rate liabilities	<u>2,001,833</u>	<u>-</u>	<u>-</u>
	<u>\$ 5,001,960</u>	<u>\$ 2,479,252</u>	<u>\$ 152,094</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 year	1~5 years	5~10 years	Over 10 years
Lease liabilities	<u>\$ 22,317</u>	<u>\$ 75,773</u>	<u>\$ 15,812</u>	<u>\$ 5,426</u>

b) Financing facilities

The Group relies on bank loans as a significant source of liquidity. As of the date of balance sheet, the undrawn bank loan facilities were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Bank loan facilities			
- Amount unused	<u>\$ 11,434,687</u>	<u>\$ 12,834,880</u>	<u>\$ 11,519,392</u>

29. Transactions with Related Parties

As of March 31, 2026, December 31, 2025, and March 31, 2025, USI Corporation held through its subsidiary, Union Polymer International Investment Corporation, 24.97% of the Company's outstanding ordinary shares.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in other notes, details of transactions between the Group and other related parties are disclosed below:

(1) Related party names and categories

<u>Related Party Name</u>	<u>Related Party Category</u>
USI Corporation	Ultimate parent company
Union Polymer International Investment Corporation	Parent company
Taita Chemical Company, Limited (TTC)	Investor with significant influence
Asia Polymer Corporation (APC)	Investor with significant influence
CGTD	Associate
ACME	Associate
USI Optronics Corporation (USIO)	Fellow subsidiary
USI Management Consulting Corporation (UM)	Fellow subsidiary
Swanson Plastics Corporation	Fellow subsidiary
Swanson Technologies Corporation	Fellow subsidiary
Taiwan United Venture Management Corporation	Fellow subsidiary
Chong Loong Trading Co., Ltd.	Fellow subsidiary
USI Green Energy Corporation	Fellow subsidiary
Taita Chemical (Zhong shan) Co., Ltd.	Subsidiary of investor with significant influence
APC Investment Corporation	Subsidiary of investor with significant influence
USI Educational Foundation (USIF)	Related party in substance

(2) Sales

<u>Related Party Category</u>	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Ultimate parent company	\$ -	\$ 2,500
Fellow subsidiary	-	249
	<u>\$ -</u>	<u>\$ 2,749</u>

The sales of goods to related parties had no material differences from those of general sales transactions.

(3) Purchases

<u>Related Party Category</u>	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Fellow subsidiary	\$ 1,242	\$ 4,129
Ultimate parent company	11	-
	<u>\$ 1,253</u>	<u>\$ 4,129</u>

Purchases from related parties had no material differences from those of general purchase transactions.

(4) Trade receivables

<u>Related Party Category</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Fellow subsidiary	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103</u>

The outstanding trade receivables from related parties were unsecured. No loss allowance was set aside for receivables from related parties for the three months ended March 31, 2026 and 2025.

(5) Trade payables to related parties

<u>Related Party Category</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Ultimate parent company	\$ 30,654	\$ 7,380	\$ 26,800
Fellow subsidiary	221	362	2,945
Investor with significant influence	-	12,729	2,467
	<u>\$ 30,875</u>	<u>\$ 20,471</u>	<u>\$ 32,212</u>

TVCM engages its ultimate parent company and investors with significant influence to procure ethylene on its behalf. The related payables are settled when such related parties make payment for the purchases.

The outstanding trade payables to related parties were unsecured.

(6) Other receivables from related parties

<u>Related Party Category</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Investor with significant influence	\$ 457	\$ 812	\$ 467
Ultimate parent company	114	220	2,671
Fellow subsidiary	14	9	580
Associate	-	12,233	-
	<u>\$ 585</u>	<u>\$ 13,274</u>	<u>\$ 3,718</u>

(7) Other payables to related parties

<u>Related Party Category</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Fellow subsidiary	\$ 23,451	\$ 1,279	\$ 772
Associate	5,524	10,887	5,730
Subsidiary of investor with significant influence	1,398	138	4
Ultimate parent company	810	927	1,007
Investor with significant influence	<u>443</u>	<u>222</u>	<u>472</u>
	<u>\$ 31,626</u>	<u>\$ 13,453</u>	<u>\$ 7,985</u>

(8) Acquisitions of property, plant and equipment

<u>Related Party Category</u>	<u>Purchase Price</u>	
	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Ultimate parent company	<u>\$ -</u>	<u>\$ 249</u>

(9) Lease arrangements

<u>Related Party Category/Name</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
<u>Lease liabilities</u>			
Investor with significant influence			
APC	\$ 66,743	\$ 70,166	\$ 80,380
TTC	<u>1,729</u>	<u>1,792</u>	<u>1,984</u>
	<u>\$ 68,472</u>	<u>\$ 71,958</u>	<u>\$ 82,364</u>

<u>Related Party Category/Name</u>	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
<u>Interest expense</u>		
Investor with significant influence		
APC	\$ 179	\$ 215
TTC	<u>5</u>	<u>5</u>
	<u>\$ 184</u>	<u>\$ 220</u>
<u>Lease expenses</u>		
Ultimate parent company	\$ 1,828	\$ 1,666
Investor with significant influence	<u>810</u>	<u>986</u>
	<u>\$ 2,638</u>	<u>\$ 2,652</u>

The Company leases offices in Neihu from its ultimate parent company and APC. The rentals are paid on a monthly basis.

The factory belonging to the Company's subsidiaries located on the land in Linyuan was rented from APC. The original lease term expired in December 2011. However, if neither counterparties argued, the lease term would automatically extend for another year.

The Company's subsidiary leased land for their warehouses from APC. The lease term expired in May 2026. The lease contract is renewable, and the rental is paid on a monthly basis.

(10) Storage tank operating service expenses

<u>Related Party Category/Name</u>	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Associate		
CGTD	<u>\$ 25,811</u>	<u>\$ 23,558</u>

The Company's subsidiaries appointed CGTD to handle the storage tank used to transport, store and load vinyl chloride monomer, ethylene, and dichloroethane. The storage tank operating service expenses are paid monthly.

(11) Management service revenue

<u>Related Party Category</u>	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Ultimate parent company	<u>\$ 57</u>	<u>\$ -</u>

(12) Management service expenses

<u>Related Party Category/Name</u>	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Fellow subsidiary		
UM	\$ 28,025	\$ 34,428
Ultimate parent company	<u>207</u>	<u>449</u>
	<u>\$ 28,232</u>	<u>\$ 34,877</u>

UM and the ultimate parent company provide labor support, equipment and other related services to the Company and its subsidiaries. The service expenses are calculated based on the expenses actually incurred in each quarter and are paid in the subsequent quarter.

(13) Donations

<u>Related Party Category/Name</u>	<u>For the Three Months Ended March 31, 2026</u>	<u>For the Three Months Ended March 31, 2025</u>
Related party in substance		
USIF	<u>\$ 2,500</u>	<u>\$ 3,000</u>

(14) Rental income

Related Party Category	For the Three Months Ended March 31, 2026	For the Three Months Ended March 31, 2025
Fellow subsidiary	\$ 1,369	\$ 1,373
Subsidiary of investor with significant influence	280	305
Investor with significant influence	<u>66</u>	<u>66</u>
	<u>\$ 1,715</u>	<u>\$ 1,744</u>

USIO signed a factory lease contract with the Company with a lease term until April 15, 2026. The Company collects fixed rental amounts on a monthly basis. USIO does not have a bargain purchase option to acquire the leased factory at the expiry of the lease period.

(15) Other income

Related Party Category	For the Three Months Ended March 31, 2026	For the Three Months Ended March 31, 2025
Investor with significant influence	<u>\$ 208</u>	<u>\$ 202</u>

(16) Other expenses

Related Party Category	For the Three Months Ended March 31, 2026	For the Three Months Ended March 31, 2025
Fellow subsidiary	<u>\$ 1,427</u>	<u>\$ 2,040</u>

(17) Compensation of key management personnel

The compensation of directors and other key executives for the three months ended March 31, 2026 and 2025 were as follows:

	For the Three Months Ended March 31, 2026	For the Three Months Ended March 31, 2025
Salaries and others	\$ 1,646	\$ 2,773
Post-employment benefits	<u>27</u>	<u>54</u>
	<u>\$ 1,673</u>	<u>\$ 2,827</u>

The compensation of directors and other key executives was determined by the remuneration committee based on the performance of individuals and market trends.

30. Assets Pledged as Collateral or for Security

The following assets of the Group were provided as collateral for the performance guarantee for on the tariffs of imported raw materials, use of fuel, and loans:

	March 31, 2026	December 31, 2025	March 31, 2025
Pledge time deposits (classified as financial assets at amortized cost and other non-current assets)	\$ 312,526	\$ 314,117	\$ 310,294
Property, plant and equipment	<u>1,508,175</u>	<u>1,508,388</u>	<u>1,507,016</u>
	<u>\$ 1,820,701</u>	<u>\$ 1,822,505</u>	<u>\$ 1,817,310</u>

31. Significant Contingent Liabilities and Unrecognized Commitments

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of the end of the reporting period were as follows:

- (1) As of March 31, 2026, December 31, 2025, and March 31, 2025, the Group's unused letters of credit amounted to \$559,655 thousand, \$412,781 thousand and \$693,885 thousand, respectively.
- (2) Description of Kaohsiung gas explosions:

Regarding China General Terminal & Distribution Corporation (hereinafter "CGTD"), accounted for using the equity method, which was commissioned to operate LCY Chemical Corp.'s propylene pipeline resulting in a gas explosion on July 31, 2014, the appeal was dismissed by the Supreme Court on September 15, 2021, and all three employees of CGTD were innocent.

CGTD reached an agreement with the Kaohsiung City Government on February 12, 2015 and pledged a term deposit of \$238,306 thousand (including interest) to the Government as a guarantee for losses caused by the gas explosions. The Kaohsiung City Government subsequently filed civil litigation against LCY Chemical, CGTD, and CPC Corporation, Taiwan. Taiwan Power Company applied for provisional attachment against CGTD's property on August 27 and November 26, 2015. CGTD deposited \$99,207 thousand in cash with the court as security to be exempted from provisional attachment. Taiwan Water Corporation also applied for provisional attachment against CGTD's property on February 3 and March 2, 2017. As of April 30, 2026, CGTD's bank deposits under attachment amounted to \$6,401 thousand.

As for the victims, CGTD, LCY Chemical, and the Kaohsiung City Government signed a tripartite agreement on July 17, 2015 agreeing to negotiate the compensation first with the 32 victims' successors and persons entitled to the claims ("family of the

victim"). Each victim's family was entitled to \$12,000 thousand and the total compensation was NT\$384,000 thousand. The compensation was advanced by LCY Chemical who also represent the three parties in the settlement negotiation and the signing of settlement agreements with family of the victim. Pursuant to the tripartite agreement, CGTD paid \$157,347 thousand to LCY Chemical on August 10, 2022 base on the 30% proportionate liability for negligence assigned to CGTD in the judgment of the court of first instance in this case. Any difference will be settled based on the proportionate liability ultimately determined upon final resolution of the civil proceedings.

As for the seriously injured victims, CGTD, LCY Chemical, and the Kaohsiung City Government signed a tripartite agreement for serious injuries on October 25, 2017 agreeing to negotiate the compensation first with the 65 seriously injured victims. The compensation was advanced by CGTD and the Kaohsiung City Government. CGTD also represents the three parties in negotiating settlements with victims who suffered serious injuries in the incident. It has signed settlement agreements with 64 of the victims.

As of April 30, 2026, victims and their families have filed civil (including supplementary civil action) lawsuits against LCY Chemical Corp., CGTD and CPC Corp., Taiwan for compensation. To reduce the lawsuit costs, CGTD had reached a settlement on the original claim of \$46,677 thousand, and the amount of the settlement was \$4,519 thousand. Along with the case still under litigation and the above-mentioned compensation, the accumulated amount of compensation is \$3,831,211 thousand. The first-instance judgments of some of the above-mentioned civil cases (with a total amount of compensation of approximately \$1,616,883 thousand) have been gradually announced, starting from June 22, 2018. The proportion of fault liability of the Kaohsiung City Government, LCY Chemical Corp. and CGTD is 4:3:3 in most judgments. The total amount of compensation that CGTD, LCY Chemical Corp. and other defendants should pay is around \$489,861 thousand. (In particular, CGTD was exempted to pay \$6,194 thousand according to the court's judgment.)

For civil cases that were adjudicated at the first instance but not settled, CGTD filed appeals to the second instance. Second-instance judgments have been issued progressively since July 10, 2024. As of April 30, 2026, the second-instance rulings on claims filed by the Kaohsiung City Government (with a total claim amount of approximately \$1,137,677 thousand) cover nine cases. Among them, eight cases determined that CGTD is jointly liable with LCY Chemical Corp. for negligence—10% in five cases and 20% in three cases—with a total joint compensation amount of \$79,726 thousand. In one case, CGTD was found solely liable for 10% negligence, with an independent compensation amount of \$297 thousand. Additionally, second-instance rulings have been issued for claims filed by Taiwan Power Company (claim amount: \$265,822 thousand), the National Health Insurance Administration (claim amount: \$35,688 thousand), and Taiwan Water Corporation (claim amount: \$28,643 thousand), in which CGTD and LCY Chemical Corp. were held jointly liable for a total compensation amount of \$120,143 thousand. For the aforementioned second-instance rulings, CGTD has filed an appeal to the third instance for all cases eligible for further appeal. Other cases remain under first-instance court proceedings, with total claims amounting to approximately \$1,711,504 thousand.

The estimated settlement amounts for fatalities and serious injuries, as well as compensation amounts for civil litigation cases (including settled cases) related to this gas explosion incident, are calculated based on the negligence liability ratios determined in the relevant judgments. After deducting the insurance payout limit, the estimated self-borne amount has been recorded at \$136,375 thousand. However, the actual settlement and compensation amount described above can only be determined after the proportion of fault liability is determined in the civil judgments.

- (3) TVCM signed an ethylene or dichloroethane purchase contract with CPC Corporation, Taiwan, and Mitsubishi Corporation. The purchase price was negotiated by both parties according to a pricing formula.

32. Significant Losses Attributed to Critical Incidents or Disasters

On October 19, 2024, a fire accident of the calendar plant of the Company, resulting in damage to some equipment and inventories. The cumulative property losses as of March 31, 2026 amounted to \$158,602 thousand. The Company has secured relevant property insurance and is negotiating the claims process with the insurance provider. However, as insurance claims involve disaster assessment, subsequent insurance compensation will only be recognized when it can be reasonably confirmed by the Company. Based on the Company's preliminary assessment of the fire-related losses and subsequent insurance recoveries, the incident has no significant impact on its overall operations.

33. Significant Assets and Liabilities Denominated in Foreign Currencies

The group entities' significant financial assets and liabilities denominated in foreign currencies and aggregated by foreign currencies other than functional currencies and the related exchange rates. Assets and liabilities with significant impact recognized in foreign currencies are as follows:

Unit: Except for the exchange rate, all in thousands

March 31, 2026

	Foreign Currencies	Exchange Rate (In Single Dollars)	Functional Currencies	NT\$
<u>Foreign currency assets</u>				
<u>Monetary items</u>				
USD	\$ 37,790	31.995 (USD : NTD)	\$ 1,209,102	\$ 1,209,102
AUD	1,044	21.960 (AUD : NTD)	22,925	22,925
EUR	575	36.710 (EUR : NTD)	21,102	21,102
USD	301	6.9193 (USD : RMB)	2,083	9,632
GBP	36	42.270 (GBP : NTD)	1,535	1,535
<u>Foreign currency liabilities</u>				
<u>Monetary items</u>				
USD	11,450	31.995 (USD : NTD)	366,335	366,335
GBP	94	42.270 (GBP : NTD)	3,986	3,986
EUR	42	36.710 (EUR : NTD)	1,539	1,539
RMB	206	4.6240 (RMB : NTD)	951	951
USD	8	6.9193 (USD : RMB)	55	253

December 31, 2025

	Foreign Currencies	Exchange Rate (In Single Dollars)	Functional Currencies	NT\$
<u>Foreign currency assets</u>				
<u>Monetary items</u>				
USD	\$ 18,758	31.430 (USD : NTD)	\$ 589,561	\$ 589,561
AUD	934	21.010 (AUD : NTD)	19,616	19,616
USD	301	7.0288 (USD : RMB)	2,116	9,461
EUR	148	36.900 (EUR : NTD)	5,471	5,471
GBP	8	42.330 (GBP : NTD)	319	319
<u>Foreign currency liabilities</u>				
<u>Monetary items</u>				
USD	9,240	31.430 (USD : NTD)	290,423	290,423
EUR	42	36.900 (EUR : NTD)	1,547	1,547
GBP	30	42.330 (GBP : NTD)	1,262	1,262
JPY	4,700	0.2008 (JPY : NTD)	944	944
RMB	159	4.4716 (RMB : NTD)	713	713
USD	8	7.0288 (USD : RMB)	56	249

March 31, 2025

	Foreign Currencies	Exchange Rate (In Single Dollars)	Functional Currencies	NT\$
<u>Foreign currency assets</u>				
<u>Monetary items</u>				
USD	\$ 44,726	33.205 (USD : NTD)	\$ 1,485,143	\$ 1,485,143
EUR	503	35.970 (EUR : NTD)	18,085	18,085
AUD	723	20.810 (AUD : NTD)	15,039	15,039
USD	301	7.1782 (USD : RMB)	2,160	9,991
GBP	50	43.050 (GBP : NTD)	2,174	2,174
<u>Foreign currency liabilities</u>				
<u>Monetary items</u>				
USD	11,916	33.205 (USD : NTD)	395,669	395,669
JPY	34,668	0.2227 (JPY : NTD)	7,721	7,721
EUR	29	35.970 (EUR : NTD)	1,061	1,061
USD	8	7.1782 (USD : RMB)	57	263

For the three months ended March 31, 2026 and 2025, net foreign exchange gains were \$22,486 thousand and \$11,962 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

34. Separately Disclosed Items

- (1) Information about significant transactions and investees
 - 1) Financing provided to others: Table 1.
 - 2) Endorsements / guarantees provided: Table 2.
 - 3) Marketable securities held: Table 3.
 - 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 4.
 - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 5.
 - 6) Others: Intercompany relationships and significant intercompany transactions: Table 6.
- (2) Information on investees: Table 7.
- (3) Information on investments in Mainland China
 - 1) Information on any investee company in Mainland China, including the company names, major business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount at end of the period, repatriations of investment income, and limit on the amount of investment in the Mainland China: Table 8.
 - 2) The following information on any of the following significant transactions with investee companies in Mainland China, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses: None.
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.

- d) The balance of negotiable instrument offered as endorsement or guarantee or pledges of collateral at the end of the period and their purposes.
- e) The highest balance during the period, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
- f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

35. Segment Information

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Group's reportable segments, mainly including departments of VCM products and PVC products, under IFRS 8 "Operating Segments" were as follows:

Segment revenue and results

The following was an analysis of the Group's revenue and results from operations by reportable segments:

For the Three Months Ended March 31, 2026

	<u>VCM Products</u>	<u>PVC Products</u>	<u>Total</u>
Revenue from external customers	\$ 363,011	\$ 2,310,894	\$ 2,673,905
Inter-segment revenue	<u>1,119,712</u>	<u>79,817</u>	<u>1,199,529</u>
Segment revenue	<u>\$ 1,482,723</u>	<u>\$ 2,390,711</u>	3,873,434
Eliminations			(<u>1,199,529</u>)
Consolidated revenue			<u>\$ 2,673,905</u>
Segment loss	(<u>\$ 35,764</u>)	(<u>\$ 139,786</u>)	(\$ 175,550)
Interest income			2,354
Other income			22,900
Other gains and losses			15,980
Interest expense			(27,610)
Share of loss of associates accounted for using the equity method			(<u>5,636</u>)
Net loss before income tax			(<u>\$ 167,562</u>)

For the Three Months Ended March 31, 2025

	<u>VCM Products</u>	<u>PVC Products</u>	<u>Total</u>
Revenue from external customers	\$ 191,770	\$ 2,270,359	\$ 2,462,129
Inter-segment revenue	<u>1,248,308</u>	<u>122,444</u>	<u>1,370,752</u>
Segment revenue	<u>\$ 1,440,078</u>	<u>\$ 2,392,803</u>	3,832,881
Eliminations			(<u>1,370,752</u>)
Consolidated revenue			<u>\$ 2,462,129</u>
Segment loss	(<u>\$ 21,300</u>)	(<u>\$ 336,230</u>)	(\$ 357,530)
Interest income			8,519
Other income			28,976
Other gains and losses			(3,186)
Interest expense			(27,538)
Share of loss of associates accounted for using the equity method			(<u>9,559</u>)
Net loss before income tax			(<u>\$ 360,318</u>)

Segment profit represented the profit before tax earned by each segment without the share of profit (loss) of associates, interest income, rental income, gains (losses) on disposal of property, plant and equipment, foreign exchange gains (losses), gains (losses) arising on financial instruments held for trading, and interest expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance. However, the measure of segment assets and liabilities was not provided to the chief operating decision maker.

China General Plastics Corporation and Subsidiaries
Financing Provided to Others
For the Three Months Ended March 31, 2026

Table 1

Unit: NT\$ thousands, unless stated otherwise

No.	Lender	Borrower	Financial Statement Account	Related Party (Yes/No)	Highest Balance for the Period	Balance at the End of the Period	Actual Borrowing Amount	Range of Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing Necessity	Allowance for Bad Debts	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
0	CGPC	CGPCPOL	Other receivables from related parties	Yes	\$ 500,000	\$ 500,000	\$ -	-	Short-term financing	\$ -	Business turnover	\$ -	-	\$ -	\$ 3,055,809	\$ 3,055,809

Note 1: The total amount of the Company's financing provided to others shall not exceed 40% of the Company's net worth on the latest financial statements audited or reviewed by certified public accountants.

China General Plastics Corporation and Subsidiaries
Endorsements/Guarantees Provided
For the Three Months Ended March 31, 2026

Table 2

Unit: NT\$ thousands

No.	Endorser/ Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Made for Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%) (Note 1)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent for Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries for Parent	Endorsement/ Guarantee Given for Companies in Mainland China
		Company	Relationship										
0	CGPC	CGPCPOL	Subsidiary	\$ 4,583,714	\$ 1,100,320	\$ 1,100,320	\$ 420,320	None	14.40%	\$ 7,639,522	Yes	No	No

Note 1: The ratio is calculated using the ending balance of equity of the Company as of March 31, 2026.

Note 2: The total amount of guarantee that may be provided by the Company shall not exceed 100% of the Company's net worth stated on the latest financial statements; the total amount of guarantee provided by the Company to any single entity shall not exceed 60% of the Company's net worth stated on the latest financial statements.

China General Plastics Corporation and Subsidiaries
Marketable Securities Held
March 31, 2026

Table 3

Unit: NT\$ thousands

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2026				Note
				Unit/Share	Carrying Amount	Percentage of Ownership (%)	Fair Value	
CGPC	<u>Beneficiary securities</u> Cathay No. 1 Real Estate Investment Trust	—	Financial assets at FVTPL - current	3,964,000	\$ 56,289	-	\$ 56,289	(Note 1)
	<u>Mutual funds</u> Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	3,882,418	56,000	-	56,000	(Note 1)
	<u>Ordinary shares</u> Taiwan Cement Corporation	—	Financial assets at FVTPL - current	2,000,000	46,000	-	46,000	(Note 1)
TVCM	<u>Ordinary shares</u> KHL IB Venture Capital Co., Ltd.	—	Financial assets at FVTOCI - non-current	5,975,992	49,003	5.95%	49,003	(Note 1)
	<u>Mutual funds</u> Fubon Money Market Fund	—	Financial assets at FVTPL - current	1,128,216	20,001	-	20,001	(Note 1)
	<u>Ordinary shares</u> Asia Polymer Corporation	The major shareholders are the same as those of the Company	Financial Assets at FVTOCI - Non-Current	130,244	2,410	0.02%	2,410	(Note 1)
CGPCPOL	<u>Mutual funds</u> Fubon Chi-Hsiang Money Market Fund	—	Financial assets at FVTPL - current	902,440	15,016	-	15,016	(Note 1)
	<u>Mutual funds</u> Taishin 1699 Money Market Fund	—	"	3,258,593	47,002	-	47,002	(Note 1)
CGPC (BVI)	<u>Ordinary shares</u> Teratech Corporation	—	Financial assets at FVTPL - non-current	112,000	-	0.65%	-	(Note 1 & 3)
	<u>Ordinary shares</u> SOHWARE, Inc.- preferred shares	—	"	100,000	-	-	-	(Note 1, 2, & 3)
GGTC	<u>Mutual funds</u> Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	1,515,446	21,859	-	21,859	(Note 1)

Note 1: The marketable securities were not pledged as guarantees or collateral for borrowings and are not subject to restrictions.

Note 2: The preferred shares are not used in the calculation of the shareholding ratio.

Note 3: As of March 31, 2026, the Group evaluates the fair value of the equity instrument as NT\$0.

China General Plastics Corporation and Subsidiaries
Total Purchases from or Sales to Related Parties Amounting to at Least NT\$100 Million or 20% of the Paid-in Capital
For the Three Months Ended March 31, 2026

Table 4

Unit: NT\$ in thousands

Buyer/Seller	Counterparty	Relationship	Transaction Details				Abnormal Transaction		Notes/Trade Receivables (Payables)		Note
			Purchases / Sales	Amount	Ratio to Total Purchases / Sales	Payment Terms	Unit Price	Payment Terms	Balance	Ratio to Total Notes and Trade Receivables (Payables)	
TVCM	CGPC	Parent company	Sales	(\$ 312,474)	(21%)	45 days	No major difference	No major difference	\$ 211,025	17%	Note
	CGPCPOL	Fellow subsidiary	Sales	(806,691)	(55%)	75 days	"	"	847,025	67%	Note

Note: All the transactions were written off when preparing the consolidated financial statements.

China General Plastics Corporation and Subsidiaries
Receivables from Related Parties Amounting to at Least NT\$100 Million or 20% of the Paid-in Capital
March 31, 2026

Table 5

Unit: NT\$ thousands

Company Name	Counterparty	Relationship	Financial Statement Account and Ending Balance	Turnover Rate	Overdue Receivables from Related Parties		Amounts Received in Subsequent Period (Note 2)	Allowance for Impairment Loss	
					Amount	Action Taken			
CGPC	CGPC -America	Subsidiary	Trade receivables from related parties	\$ 184,151	1.60	\$ -	—	\$ 53,215	Note 1
TVCM	CGPC	Parent company	Trade receivables from related parties	211,025	4.53	-	—	66,057	Note 1
	CGPCPOL	Fellow subsidiary	Trade receivables from related parties	847,025	4.39	-	—	351,822	Note 1

Note 1: There is no allowance for impairment loss after an impairment assessment.

Note 2: The subsequent period is between April 1 and April 24, 2026.

Note 3: All the transactions were written off when preparing the consolidated financial statements.

China General Plastics Corporation and Subsidiaries
Intercompany Relationships and Significant Intercompany Transactions
For the Three Months Ended March 31, 2026

Table 6

Unit: NT\$ thousands

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Accounts	Amount	Transaction Terms	% of Total Sales or Asset (Note 3)
0	CGPC	TVCM	1	Trade payables to related parties	\$ 211,025	No major difference	1%
			1	Purchases	312,474	"	12%
		CGPC -America	1	Trade receivables from related parties	184,151	"	1%
			1	Sales revenue	74,622	"	3%
1	CGPCPOL	TVCM	3	Trade payables to related parties	847,025	"	5%
			3	Other payables to related parties	18,675	"	-
			3	Purchases	806,691	"	30%

Note 1: The information correlation between the numeral and the entity are stated as follows:

1. The parent company: 0.
2. The subsidiaries: 1 onward.

Note 2: The direction of the investment is as follows:

1. The parent company to its subsidiary: 1.
2. The subsidiary to parent company: 2.
3. Between subsidiaries: 3.

Note 3: The ratio of transactions related to total sales revenue or assets is calculated as follows: a. Assets or liabilities: The ratio was calculated based on the ending balance of total consolidated assets; and b. Income or loss: The ratio was calculated based on the midterm accumulated amount of total consolidated sales revenue

Note 4: Disclosure of transaction amounts of NT\$10,000 thousand or more.

China General Plastics Corporation and Subsidiaries
Information on Investees
For the Three Months Ended March 31, 2026

Table 7

Unit: NT\$ thousands, unless stated otherwise

Investor Company	Investee Company	Location	Business Content	Original Investment Amount		As of March 31, 2026			Net Income (Loss) of Investee	Share of Profit (Loss)	Note
				March 31, 2026	January 1, 2026	Shares	%	Carrying Amount			
CGPC	TVCM	No. 1, Gongye 1st Rd., Linyuan Dist., Kaohsiung City 832, Taiwan (R.O.C.)	Manufacturing and marketing of VCM	\$ 2,934,978	\$ 2,934,978	259,707,456	87.31%	\$ 3,425,735	(\$ 116,226)	(\$ 101,481)	Subsidiary, Note
	CGPCPOL	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Manufacturing and marketing of PVC resins	1,300,000	1,300,000	72,508,657	100%	605,101	(38,103)	(38,103)	Subsidiary, Note
	CGPC (BVI)	Citco Building, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands	Reinvestment	1,059,344	1,059,344	14,808,258	100%	399,299	4,390	4,390	Subsidiary, Note
	CGTD	No. 1, Jianji St., Qianzhen Dist., Kaohsiung City 806, Taiwan (R.O.C.)	Warehousing and transportation of petrochemical raw materials	41,106	41,106	25,053,469	33.33%	305,882	(18,025)	(6,008)	Associate accounted for using the equity method
	CGPC -America	4 Latitude Way, Suite 108 Corona, CA 92881, USA	Marketing of PVC film and leather products	648,931	648,931	100	100%	143,223	(1,095)	(1,095)	Subsidiary, Note
	ACME	8F., No. 39, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Manufacturing and marketing of Mn-Zn and Ni-Zn ferrite cores	41,805	41,805	3,566,526	1.67%	34,115	22,241	372	Associate accounted for using the equity method
TVCM	GGTC	12F., No. 37, Jihu Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)	Environmental detection services	50,000	50,000	5,381,447	100%	44,197	(10,591)	-	Subsidiary, Note

Note: All the transactions were written off when preparing the consolidated financial statements.

China General Plastics Corporation and Subsidiaries
Information on Investments in Mainland China
For the Three Months Ended March 31, 2026

Table 8

Unit: NT\$ thousands, unless stated otherwise

Investee Company	Business Content	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2026 (Note 1)	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2026 (Note 1)	Net Profit of Investee	Ownership Percentage of Direct or Indirect Investment	Current Investment Profit (Note 4)	Carrying Amount as of March 31, 2026 (Notes 1 and 4)	Accumulated Repatriation of Investment Income as of March 31, 2026
					Outflow	Inflow						
CGPC (ZS)	Manufacturing and marketing of PVC film and consumer products	\$ 639,900 (US\$20,000 thousand)	Investment through CGPC (BVI) Holding Co., Ltd.	\$639,900 (US\$20,000 thousand)	\$ -	\$ -	\$ 639,900 (US\$20,000 thousand)	\$ 3,575 (US\$113 thousand)	100%	\$ 3,575 (US\$113 thousand)	\$ 303,605 (US\$9,489 thousand)	-

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2026 (Notes 1 and 3)	Investment Amounts Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated in Mainland China by Investment Commission, MOEA (Note 2)
\$ 818,496 (US\$25,582 thousand)	\$ 956,651 (US\$29,900 thousand)	\$ -

Note 1: The calculation was based on the spot exchange rate of March 31, 2026.

Note 2: As the Company has obtained the certificate of qualification for operating headquarters issued by the Industrial Development Bureau, MOEA No. 11251035580 on September 6, 2023, the upper limit on investment is not applicable.

Note 3: QuanZhou Continental General Plastics Co., Ltd. ("CGPC (QZ)") and Union (Zhong Shan) Co., Ltd. ("Union (ZS)") completed dissolution procedures, and CGPC (BVI) retrieved the residual assets. The shares of China General Plastics (San He) Co., Ltd. ("CGPC (SH)") were fully sold, and CGPC (BVI) retrieved the residual assets. However, the amount of capital has not been wired back to Taiwan. The accumulated amount includes the investment amount of CGPC (QZ) of USD684 thousand, the investment amount of Union (ZS) of USD898 thousand, and the investment amount of CGPC (SH) of USD 4,000 thousand.

Note 4: All the transactions were written off when preparing the consolidated financial statements; the investment profit was recognized based on the financial statements not reviewed by auditors. Please refer to Note 12.